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STATE OF MINNESOTA

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STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

EIGHTY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 24, 1980

The House of Representatives convened at 11:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kahn	Nelson	Sherwood
Adams	Eken	Kaley	Niehaus	Sieben, H.
Ainley	Elioff	Kalis	Norman	Sieben, M.
Albrecht	Ellingson	Kelly	Novak	Simoneau
Anderson, B.	Erickson	Kempe	Nysether	Stadum
Anderson, D.	Esau	Knickerbocker	Olsen	Stoa
Anderson, G.	Evans	Kostohryz	Onnen	Stowell
Anderson, I.	Ewald	Kroening	Osthoff	Sviggum
Anderson, R.	Faricy	Kvam	Otis	Swanson
Battaglia	Fjoslien	Laidig	Patton	Thiede
Begich	Forsythe	Lehto	Pehler	Tomlinson
Berglin	Friedrich	Levi	Peterson, B.	Valan
Berkelman	Fritz	Long	Peterson, D.	Valento
Biersdorf	Fudro	Ludeman	Piepho	Vanasek
Blatz	Greenfield	Luknic	Pleasant	Voss
Brinkman	Halberg	Mann	Prahl	Waldorf
Byrne	Haukoos	McCarron	Redalen	Weaver
Carlson, D.	Heap	McDonald	Reding	Welch
Carlson, L.	Heinitz	McEachern	Rees	Welker
Casserly	Hoberg	Mehrkens	Reif	Wenzel
Clark	Hokanson	Metzen	Rice	Wieser
Clawson	Jacobs	Minne	Rodriguez	Wigley
Corbid	Jaros	Moe	Rothenberg	Wynia
Crandall	Jennings	Munger	Sarna	Zubay
Dean	Johnson, C.	Murphy	Schreiber	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Searles	

A quorum was present.

Rose was excused until 12:05 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Niehaus moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1835, 2476, 1945, 1035, and 1121 and S. F. Nos. 2095, 1759, 1783, 1838, 1877, 1950, 1993, 2017, 2111, 2168, 1573, 1708 and 2122 have been placed in the members' files.

S. F. No. 2168 and H. F. No. 2197, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Carlson, D., moved that the rules be so far suspended that S. F. No. 2168 be substituted for H. F. No. 2197 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1708 and H. F. No. 2037, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Kaley moved that the rules be so far suspended that S. F. No. 1708 be substituted for H. F. No. 2037 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2122 and H. F. No. 2043, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Peterson, D., moved that the rules be so far suspended that S. F. No. 2122 be substituted for H. F. No. 2043 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES.

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2458, A bill for an act memorializing the President and Congress of the United States to block a plan of the Department of Energy to adopt rules prohibiting the weekend use of motorboats during the present energy crisis.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Casserly from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 1322, A bill for an act relating to local government; providing for municipal planning; authorizing regulation of subdivisions; providing a penalty; amending Minnesota Statutes 1978, Sections 462.351; 462.352, by adding subdivisions; 462.355, Subdivision 4; 462.358, by adding subdivisions; 462.36, Subdivision 1; 505.14; repealing Minnesota Statutes 1978, Sections 462.352, Subdivision 4; and 462.358, Subdivisions 1, 2, 3 and 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1978, Section 462.358, Subdivision 4, is amended to read:

Subd. 4. [RESTRICTIONS ON FILING AND RECORDING CONVEYANCES.] In a municipality in which subdivision regulations are in force and have been filed or recorded as provided in this section, no conveyance of land to which the regulations are applicable shall be filed or recorded, if the land is described in the conveyance by metes and bounds or by reference to an unapproved registered land survey made after April 21, 1961 or to an unapproved plat made after such regulations become effective. The foregoing provision does not apply to a conveyance if the land described:

(1) was a separate parcel of record April 1, 1945 or the date of adoption of subdivision regulations under Laws 1945, Chapter 287, whichever is the later, or of the adoption of subdivision regulations pursuant to a home rule charter, or

(2) was the subject of a written agreement to convey entered into prior to such time,

(3) was a separate parcel of not less than two and one-half acres in area and 150 feet in width on January 1, 1966, or

(4) *was a separate parcel of not less than five acres in area and 300 feet in width on July 1, 1980, or*

((4)) (5) *is a single parcel of commercial or industrial land of not less than five acres and having a width of not less than 300 feet and its conveyance does not result in the division of the parcel into two or more lots or parcels, any one of which is less than five acres in area or 300 feet in width(.), or*

(6) *is a single parcel of residential or agricultural land of not less than 20 acres and having a width of not less than 500 feet and its conveyance does not result in the division of the parcel into two or more lots or parcels, any one of which is less than 20 acres in area or 500 feet in width.*

In any case in which compliance with the foregoing restrictions will create an unnecessary hardship and failure to comply does not interfere with the purpose of the subdivision regulations, the platting authority may waive such compliance by adoption of a resolution to that effect and the conveyance may then be filed or recorded. Any owner or agent of the owner of land who conveys a lot or parcel in violation of the provisions of this subdivision shall forfeit and pay to the municipality a penalty of not less than \$100 for each lot or parcel so conveyed. A municipality may enjoin such conveyance or may recover such penalty by a civil action in any court of competent jurisdiction."

Delete the title in its entirety and insert:

"A bill for an act relating to local government; providing for regulation of subdivisions; amending Minnesota Statutes 1978, Section 462.358, Subdivision 4."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 34, a house resolution relating to Handicapped Awareness Week.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2476 and 2458 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 2168, 1708 and 2122 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Evans; Anderson, R.; Searles; Friedrich and Carlson, D., introduced:

H. F. No. 2477, A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 12; limiting the time and subjects of legislative sessions.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 2222, A bill for an act relating to insurance; authorizing business trusts to exchange reciprocal or interinsurance contracts; amending Minnesota Statutes 1978, Section 71A.01, Subdivision 1.

H. F. No. 2287, A bill for an act relating to the city of Edina; authorizing a temporary short term on-sale liquor license for a certain civic or charitable festival.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 942, A bill for an act relating to pollution control; authorizing state use of up to two percent of federal construction grant funds to administer the federal water pollution control act; amending Minnesota Statutes 1978, Section 116.16, Subdivision 10.

H. F. No. 1349, 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 Kandiyohi county for the purpose of correcting conveyancing errors.

H. F. No. 1985, A bill for an act relating to municipal electric power; permitting municipal power agencies to contract and do business with foreign entities; amending Minnesota Statutes 1978, Section 453.52, Subdivision 9.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1695, A bill for an act relating to highways; providing that a resolution of a county board revoking a county highway that would revert to a town is not effective until the highway meets town road specification standards; amending Minnesota Statutes 1978, Section 163.11, Subdivision 5a.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Berkelman moved that the House concur in the Senate amendments to H. F. No. 1695 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1695, A bill for an act relating to highways; providing that a resolution of a county board revoking a county highway that would revert to a town is not effective until the highway meets county road standards; amending Minnesota Statutes 1978, Section 163.11, Subdivision 5a.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Corbid	Heap	Levi	Olsen
Adams	Dean	Heinitz	Long	Onnen
Ainley	Dempsey	Hoberg	Ludeman	Osthoff
Albrecht	Den Ouden	Hokanson	Luknic	Otis
Anderson, B.	Drew	Jacobs	Mann	Patton
Anderson, D.	Eken	Jaros	McCarron	Pehler
Anderson, G.	Elioff	Jennings	McDonald	Peterson, B.
Anderson, I.	Ellingson	Johnson, C.	McEachern	Peterson, D.
Battaglia	Erickson	Johnson, D.	Mehrkens	Piepho
Begich	Esau	Jude	Metzen	Pleasant
Berglin	Evans	Kahn	Minne	Prahl
Berkelman	Ewald	Kaley	Moe	Redalen
Biersdorf	Fariy	Kalis	Munger	Reding
Blatz	Fjoslien	Kelly	Murphy	Rees
Brinkman	Forsythe	Kempe	Nelsen, B.	Reif
Byrne	Friedrich	Knickerbocker	Nelsen, M.	Rice
Carlson, D.	Fritz	Kostohryz	Nelson	Rodriguez
Carlson, L.	Fudro	Kroening	Niehaus	Rothenberg
Casserly	Greenfield	Kvam	Norman	Sarna
Clark	Halberg	Laidig	Novak	Schreiber
Clawson	Haukoos	Lehto	Nysether	Searles

Sherwood	Stowell	Valan	Weaver	Wigley
Sieben, H.	Sviggum	Valento	Welch	Wynia
Sieben, M.	Swanson	Vanasek	Welker	Zubay
Simoneau	Thiede	Voss	Wenzel	Spkr. Norton
Stoa	Tomlinson	Waldorf	Wieser	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2135, A bill for an act relating to public welfare; providing that certain relatives of children receiving aid to families with dependent children are not responsible for contributions; amending Minnesota Statutes 1978, Section 256.87, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hokanson moved that the House concur in the Senate amendments to H. F. No. 2135 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2135, A bill for an act relating to public welfare; providing that certain relatives of children receiving aid to families with dependent children are not responsible for contributions; amending Minnesota Statutes 1978, Section 256.87, Subdivision 1.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Biersdorf	Den Ouden	Friedrich	Jennings
Adams	Blatz	Drew	Fritz	Johnson, C.
Ainley	Brinkman	Eken	Fudro	Johnson, D.
Albrecht	Byrne	Elioff	Greenfield	Jude
Anderson, B.	Carlson, D.	Ellingson	Halberg	Kahn
Anderson, D.	Carlson, L.	Erickson	Haukoos	Kaley
Anderson, G.	Casserly	Esau	Heap	Kalis
Anderson, I.	Clark	Evans	Heinitz	Kelly
Battaglia	Clawson	Ewald	Hoberg	Kempe
Beghin	Corbid	Faricy	Hokanson	Knickerbocker
Berglin	Dean	Fjoslien	Jacobs	Kostohryz
Berkelman	Dempsey	Forsythe	Jaros	Kroening

Kvam	Moe	Patton	Rothenberg	Valan
Lehto	Munger	Pehler	Sarna	Valento
Levi	Murphy	Peterson, B.	Schreiber	Vanasek
Long	Nelsen, M.	Peterson, D.	Searle	Voss
Ludeman	Nelson	Piepho	Searles	Waldorf
Luknic	Niehaus	Pleasant	Sherwood	Weaver
Mann	Norman	Prahl	Sieben, M.	Welker
McCarron	Novak	Redalen	Simoneau	Wenzel
McDonald	Nysether	Reding	Stoa	Wieser
McEachern	Olsen	Rees	Stowell	Wigley
Mehrkens	Onnen	Reif	Sviggum	Wynia
Metzen	Osthoff	Rice	Swanson	Zubay
Minne	Otis	Rodriguez	Tomlinson	Spkr. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 924, A bill for an act relating to commerce; regulating conduct of business under assumed business names; amending Minnesota Statutes 1978, Sections 301.09; 333.01; 333.04; 333.06; and Chapter 333, by adding sections; repealing Minnesota Statutes 1978, Sections 333.001; 333.035; and 333.055.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Sherwood moved that the House concur in the Senate amendments to H. F. No. 924 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 924, A bill for an act relating to commerce; regulating conduct of business under assumed business names; amending Minnesota Statutes 1978, Sections 333.055, Subdivision 3; and 333.13.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, B.	Battaglia	Biersdorf	Carlson, L.
Adams	Anderson, D.	Begich	Blatz	Casserly
Ainley	Anderson, G.	Berglin	Brinkman	Clark
Albrecht	Anderson, I.	Berkelman	Byrne	Clawson

Crandall	Heinitz	Ludeman	Osthoff	Simoneau
Dean	Hoberg	Luknic	Otis	Stoa
Dempsey	Hokanson	Mann	Patton	Stowell
Den Ouden	Jacobs	McCarron	Pehler	Sviggum
Drew	Jaros	McDonald	Peterson, B.	Swanson
Eken	Jennings	McEachern	Peterson, D.	Thiede
Elioff	Johnson, C.	Mehrkens	Piepho	Tomlinson
Ellingson	Johnson, D.	Metzen	Pleasant	Valan
Erickson	Jude	Minne	Prahl	Valento
Esau	Kahn	Moe	Reding	Vanasek
Ewald	Kaley	Munger	Rees	Voss
Faricy	Kalis	Murphy	Reif	Waldorf
Fjoslien	Kelly	Nelsen, B.	Rice	Weaver
Forsythe	Kempe	Nelsen, M.	Rodriguez	Welker
Friedrich	Knickerbocker	Nelson	Rothenberg	Wenzel
Fritz	Kostohryz	Niehaus	Sarna	Wieser
Fudro	Kroening	Norman	Schreiber	Wigley
Greenfield	Kvam	Novak	Searle	Wynia
Halberg	Lehto	Nysether	Searles	Zubay
Haukoos	Levi	Olsen	Sherwood	Spkr. Norton
Heap	Long	Onnen	Sieben, M.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1997, 2136 and 2183.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 336, 2071, 2074 and 2134.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1801, 1832, 1865, 2264 and 2265.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 870, 1690, 1931, 2042 and 2184.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1648, 1749 and 1853.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 251, 1255 and 1649.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1826, 1867 and 2193.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2062 and 2117.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1601, 1803 and 2195.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 630.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1794.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1997, A bill for an act relating to the city of Austin and Cook County; authorizing the establishment and financing of the capital cost of a solid waste disposal system and program in the city of Austin; providing for steam line construction agreements for Cook County and Independent School District No. 166.

The bill was read for the first time.

Reding moved that S. F. No. 1997 and H. F. No. 2022, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2136, A bill for an act relating to elections; changing certain procedures and the effect of absentee ballots.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

S. F. No. 2183, A bill for an act relating to gambling devices; clarifying certain definitions; amending Minnesota Statutes 1978, Section 349.26, Subdivisions 4, 5, and 15.

The bill was read for the first time.

Reding moved that S. F. No. 2183 and H. F. No. 2230, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 336, A bill for an act relating to taxation; providing for state reimbursement of taxing districts for tax reduction granted to Title II and certain other property; appropriating money; amending Minnesota Statutes 1978, Section 276.04; and Chapter 273, by adding a section.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 2071, A bill for an act relating to financial institutions; providing that certain agreements taken by a bank and subject to a certain percentage limitation will not constitute a liability against it; providing for a different percentage limitation in certain cases; amending Minnesota Statutes 1978, Section 48.24, Subdivision 3.

The bill was read for the first time.

Ellingson moved that S. F. No. 2071 and H. F. No. 2286, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2074, A bill for an act relating to industrial development; permitting hearings by a committee of the governing body; amending Minnesota Statutes, 1979 Supplement, Section 474.01, Subdivision 7b.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

S. F. No. 2134, A bill for an act relating to natural resources; providing for analysis of hydroelectric generating capacity of publicly owned dams; clarifying provisions relating to the administration of and authorization for dam repair and reconstruction grants; authorizing the employment of a person to administer grants; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 1 and 4; Minnesota Statutes, 1979 Supplement, Section 105.482, Subdivisions 3 and 5a; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1801, A bill for an act relating to the family; changing certain procedures and criteria for termination of parental rights; amending Minnesota Statutes 1978, Sections 260.221; 260.241, Subdivisions 1 and 2; and Chapter 260, by adding a section.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1832, A bill for an act relating to public utilities and telephone companies; regulating delinquency charges on customer or subscriber accounts.

The bill was read for the first time and referred to the Committee on Energy and Utilities.

S. F. No. 1865, A bill for an act relating to motor vehicles; clarifying penalty provisions for certain traffic violations; clarifying provisions which prohibit the operation of a motor vehicle while a driver's license is revoked or suspended; amending Minnesota Statutes 1978, Sections 169.141, Subdivision 2; 169.89, Subdivision 1; 171.20, Subdivision 2; and 171.24.

The bill was read for the first time.

Crandall moved that S. F. No. 1865 and H. F. No. 1925, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2264, A bill for an act relating to delivery or filing of documents; providing for timely delivery or filing of certain documents with respect to weekends and holidays; amending Minnesota Statutes 1978, Chapter 645, by adding a section.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 2265, A bill for an act relating to municipalities; authorizing joint municipal franchising for cable communications; permitting the establishment of a port authority by the city of Bloomington; amending Minnesota Statutes 1978, Section 238.08, by adding a subdivision.

The bill was read for the first time.

Peterson, B., moved that S. F. No. 2265 and H. F. No. 2134, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 870, A bill for an act relating to electric utilities; altering provisions for the required condemnation of lands contiguous to sites or routes of electric utilities; clarifying that certain required land condemnations need not be considered in environmental impact statements; amending Minnesota Statutes 1978, Sections 116C.63, Subdivision 4; and 116D.04, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1690, A bill for an act relating to state departments; providing for the creation of a state employee assistance program in the department of administration; amending Minnesota Statutes 1978, Section 16.02, by adding a subdivision.

The bill was read for the first time.

Elioff moved that S. F. No. 1690 and H. F. No. 2086, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1931, A bill for an act relating to children; providing for venue for child custody proceedings; amending Minnesota Statutes, 1979 Supplement, Section 518.156, Subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 2042, A bill for an act relating to the port authority of Winona; providing powers and conditions of debt; amending Laws 1967, Chapter 541, Section 1, as amended.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 2184, A bill for an act relating to Special School District No. 1; modifying the district's responsibility to develop a long range building plan and providing certain bonding authority; amending Laws 1963, Chapter 645, Section 3, Subdivision 5; and Laws 1959, Chapter 462, Section 3, Subdivision 7, as amended and renumbered.

The bill was read for the first time.

Long moved that S. F. No. 2184 and H. F. No. 2303, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1648, A bill for an act relating to taxation; real property; eliminating tax recapture upon certain sales of qualifying agricultural property; amending Minnesota Statutes 1978, Section 273.111, Subdivision 9, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 1749, A bill for an act relating to insurance; providing for the regulation of mass marketed life or health insurance; providing the commissioner with rule-making power on the subject of unfair methods and unfair or deceptive acts and practices; amending Minnesota Statutes 1978, Sections 72A.13; 72A.19; and 72A.41, Subdivision 1.

The bill was read for the first time.

Ellingson moved that S. F. No. 1749 and H. F. No. 1810, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1853, A bill for an act relating to taxation; removing limitations on the admissibility of sales ratio studies; providing that property tax court judges shall be learned in the law; providing that certain documents be made available to the petitioner and providing for their admittance as evidence; providing that tax court judgments will not include penalties; amending Minnesota Statutes 1978, Sections 271.01, Subdivision 1; 272.70; 278.01, Subdivision 1; 278.05; and 278.08; Minnesota Statutes, 1979 Supplement, Section 124.212, Subdivision 11.

The bill was read for the first time.

Jacobs moved that S. F. No. 1853 and H. F. No. 2404, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 251, A bill for an act relating to cooperative associations; validating elections of directors by mail voting; authorizing mail voting for directors of cooperative associations; providing for voting by members' spouses; amending Minnesota Statutes 1978, Section 308.071; and Chapter 308, by adding a section.

The bill was read for the first time.

Albrecht moved that S. F. No. 251 and H. F. No. 2273, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1255, A bill for an act relating to tax-forfeited land sales; increasing the interest rate on the unpaid balance of the purchase price; amending Minnesota Statutes 1978, Sections 282.01, Subdivision 4; 282.222, Subdivision 4; 282.261; and 282.35, Subdivisions 2 and 3; and Minnesota Statutes, 1979 Supplement, Section 282.15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 1649, A bill for an act relating to agriculture; providing for testing to measure milk protein; providing for payments for milk protein and nonfat solids; amending Minnesota Statutes 1978, Section 32.25, Subdivision 1.

The bill was read for the first time.

Welch moved that S. F. No. 1649 and H. F. No. 1649, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1826, A bill for an act relating to probate; changing certain time limits for a personal representative to file an inventory and appraisal; amending Minnesota Statutes, 1979 Supplement, Section 524.3-706.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1867, A bill for an act relating to occupations and professions; allowing legal education courses to substitute for real estate education courses under certain circumstances; amending Minnesota Statutes 1978, Section 82.22, Subdivision 13.

The bill was read for the first time and referred to the Committee on Commerce, Economic Development and Housing.

S. F. No. 2193, A bill for an act relating to commerce; establishing certain time price differentials on retail installment sales of mobile homes; amending Minnesota Statutes 1978, Section 168.72.

The bill was read for the first time.

Rees moved that S. F. No. 2193 and H. F. No. 2297, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2062, A bill for an act relating to financial institutions; providing for interest rates on certain installment loans and open end loan account arrangements; granting certain lending powers to savings associations and savings and loan associations; amending Minnesota Statutes 1978, Sections 48.153; 51A.21, by adding a subdivision; and 52.14.

The bill was read for the first time.

Adams moved that S. F. No. 2062 and H. F. No. 2101, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2117, A bill for an act relating to commerce; providing for investments in certain loans by savings banks and savings associations; defining terms; exempting savings associations from licensing and bonding requirements of safe deposit companies; deleting the dollar limitation on examination fees; amending Minnesota Statutes 1978, Sections 50.14, Subdivision

5; 51A.02, Subdivisions 8 and 17, and by adding a subdivision; 51A.37, Subdivision 3; 55.06, Subdivision 1; and 55.095.

The bill was read for the first time.

Johnson, D., moved that S. F. No. 2117 and H. F. No. 2356, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1601, A bill for an act relating to natural gas pipeline safety; transferring powers and duties in the administration of pipeline safety laws from the fire marshal division of the department of public safety to the department of public service; transferring personnel and records; appropriating funds; amending Minnesota Statutes 1978, Sections 299F.56, Subdivisions 5, and 6, and by adding a subdivision; 299F.57; 299F.58; 299F.60, Subdivisions 1 and 2; 299F.61, Subdivision 1; 299F.62; 299F.63; and 299F.64.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 1803, A bill for an act relating to commerce; restricting the scope of the corporate take-over statute; amending Minnesota Statutes 1978, Sections 80B.02, Subdivision 5; 80B.03, Subdivisions 2 and 3; repealing Minnesota Statutes 1978, Sections 80B.02, Subdivision 8; and 80B.03, Subdivisions 4 and 5.

The bill was read for the first time and referred to the Committee on Commerce, Economic Development and Housing.

S. F. No. 2195, A bill for an act relating to employment agencies; exempting certain medical doctor placement services from licensing provisions; amending Minnesota Statutes 1978, Section 184.21, Subdivision 2.

The bill was read for the first time.

Sieben, M., moved that S. F. No. 2195 and H. F. No. 2206, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 630, A bill for an act relating to commerce; providing for the licensing and regulation of mobile home dealers; imposing certain duties and prohibiting certain practices; providing penalties; amending Minnesota Statutes 1978, Sections 327.43, Subdivision 1; 327.51, Subdivision 1, and by adding subdivisions; 327.55, Subdivisions 1 and 4; and Chapter 327, by adding sections; and Minnesota Statutes, 1979 Supplement, Section 327.43, Subdivision 2.

The bill was read for the first time.

Patton moved that S. F. No. 630 and H. F. No. 615, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1794, A bill for an act relating to state lands; authorizing the sale at public auction of lands and interests in lands located in Mower and Fillmore Counties.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bills: S. F. Nos. 74 and 572.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Voss requested immediate consideration of H. F. Nos. 2476 and 2470.

H. F. No. 2476 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Voss moved that the rule therein be suspended and an urgency be declared so that H. F. No. 2476 be given its third reading and be placed upon its final passage. The motion prevailed.

Voss moved that the rules of the House be so far suspended that H. F. No. 2476 be given its third reading and be placed upon its final passage. The motion prevailed.

Pleasant moved to amend H. F. No. 2476 as follows:

Page 128, after line 5, insert:

"Sec. 140. [FEASIBILITY STUDY OF LIGHT RAIL TRANSIT IN METROPOLITAN AREA.] The sum of \$150,000 is appropriated from the general fund to the metropolitan council established by Minnesota Statutes, Section 473.123, for the purpose of conducting a feasibility study of the use of light rail transit in the metropolitan area. The sum is available the day after final enactment and until June 1, 1981.

The study shall:

(a) define major operational characteristics of a light rail transit system in selected corridors;

- (b) *quantify capital and operating costs;*
- (c) *evaluate the interface of the light rail transit system with other transit systems;*
- (d) *evaluate the impact of the light rail transit system on land-use and urban development;*
- (e) *evaluate the impact of the light rail transit system on energy and the environment;*
- (f) *compare light rail transit with bus and multipassenger alternatives;*
- (g) *identify available sources of funds from federal, state, local, private and other sources; and,*
- (h) *identify the conditions necessary for light rail transit to be feasible in the metropolitan area.*

Findings and recommendations shall be presented to the seventy-third session of the legislature."

Renumber the remaining sections.

A roll call was requested and properly seconded.

Fritz moved to amend the Pleasant amendment to H. F. No. 2476, as follows:

Page 1, line 6, delete "*metropolitan council*" and insert "*department of transportation*"

Page 1, line 7, delete "*established by Minnesota Statutes, Section 473.123,*"

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

Zubay moved to amend the Pleasant amendment to H. F. No. 2476, as follows:

Page 2, line 1, delete "*bus*" insert "*electric and combustion motor driven buses*"

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

The question recurred on the Pleasant amendment, as amended, and the roll was called. There 43 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Adams	Ewald	Kroening	Patton	Stoa
Anderson, D.	Fjoslien	Kvam	Peterson, B.	Swiggum
Berglin	Forsythe	Lehto	Pleasant	Swanson
Blatz	Fritz	Levi	Reif	Tomlinson
Byrne	Heap	Long	Rice	Valento
Carlson, L.	Heinitz	Munger	Rothenberg	Weaver
Dean	Jaros	Norman	Schreiber	Zubay
Drew	Knickerbocker	Olsen	Searle	
Erickson	Kostohryz	Osthoff	Searles	

Those who voted in the negative were:

Aasness	Dempsey	Jennings	Minne	Sieben, M.
Ainley	Den Ouden	Johnson, C.	Moe	Stadum
Albrecht	Eken	Johnson, D.	Murphy	Stowell
Anderson, B.	Elioff	Jude	Nelsen, B.	Thiede
Anderson, G.	Ellingson	Kahn	Nelson	Valan
Anderson, I.	Esau	Kaley	Niehaus	Vanasek
Anderson, R.	Evans	Kelly	Nysether	Voss
Battaglia	Faricy	Kempe	Onnen	Waldorf
Begich	Friedrich	Laidig	Peterson, D.	Welch
Berkelman	Fudro	Ludeman	Piepho	Welker
Brinkman	Greenfield	Mann	Redalen	Wenzel
Carlson, D.	Halberg	McCarron	Rees	Wieser
Clark	Haukoos	McDonald	Rodriguez	Wigley
Clawson	Hoberg	McEachern	Sarna	Wynia
Corbid	Hokanson	Mehrkens	Sherwood	Spkr. Norton
Crandall	Jacobs	Metzen	Sieben, H.	

The motion did not prevail and the amendment, as amended, was not adopted.

Stadum moved to amend H. F. No. 2476, as follows:

Page 11, line 33, delete "20,031,100" insert "17,031,100"

Page 12, line 3, delete "14,600,000" insert "11,600,000"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 53 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Aasness	Crandall	Fjoslien	Kalis	Nelsen, B.
Ainley	Dean	Friedrich	Kostohryz	Niehaus
Albrecht	Dempsey	Fritz	Kvam	Nysether
Anderson, B.	Den Ouden	Haukoos	Levi	Onnen
Anderson, I.	Drew	Hoberg	Ludeman	Peterson, B.
Biersdorf	Erickson	Jennings	Luknic	Piepho
Blatz	Esau	Johnson, D.	McDonald	Redalen
Carlson, D.	Ewald	Kaley	Mehrkens	Rees

Reif	Stadum	Thiede	Welker	Zubay
Searles	Stowell	Valan	Wieser	
Sherwood	Sviggum	Valento	Wigley	

Those who voted in the negative were:

Adams	Eken	Kahn	Norman	Sieben, H.
Anderson, D.	Elioff	Kelly	Novak	Sieben, M.
Anderson, G.	Ellingson	Kempe	Olsen	Stoa
Anderson, R.	Evans	Knickerbocker	Osthoff	Swanson
Battaglia	Fariy	Kroening	Otis	Tomlinson
Begich	Forsythe	Laidig	Patton	Vanasek
Berglin	Fudro	Lehto	Pehler	Voss
Berkelman	Greenfield	Long	Peterson, D.	Waldorf
Brinkman	Halberg	Mann	Prahl	Weaver
Byrne	Heinitz	McCarron	Reding	Welch
Carlson, L.	Hokanson	Metzen	Rice	Wenzel
Casserly	Jacobs	Minne	Rodriguez	Wynia
Clark	Jaros	Moe	Rose	Spkr. Norton
Clawson	Johnson, C.	Murphy	Rothenberg	
Corbid	Jude	Nelson	Sarna	

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

Biersdorf moved to amend H. F. No. 2476, as follows:

Page 56, line 24, delete *"the game"* and insert *"the general fund"*

Page 56, line 25, delete *"and fish fund"*

Page 57, line 16, delete *"the game and fish fund"* and insert *"the general fund"*

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 46 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Adams	Dempsey	Johnson, C.	Patton	Thiede
Anderson, I.	Den Ouden	Kalis	Pehler	Valento
Battaglia	Elioff	Kempe	Piepho	Vanasek
Begich	Fjoslien	Kostohryz	Redalen	Weaver
Berkelman	Friedrich	McEachern	Reding	Welch
Biersdorf	Fudro	Metzen	Rose	Wieser
Brinkman	Heap	Murphy	Rothenberg	
Carlson, D.	Heinitz	Nelsen, B.	Sarna	
Carlson, L.	Hoberg	Nelsen, M.	Stowell	
Clawson	Jacobs	Olsen	Sviggum	

Those who voted in the negative were:

Aasness	Albrecht	Berglin	Byrne	Clark
Ainley	Anderson, R.	Blatz	Casserly	Corbid

Crandall	Haukoos	Long	Onnen	Sieben, M.
Dean	Hokanson	Ludeman	Osthoff	Stadum
Drew	Jaros	Luknic	Otis	Stoa
Eken	Jennings	Mann	Peterson, B.	Swanson
Ellingson	Johnson, D.	McCarron	Peterson, D.	Tomlinson
Erickson	Jude	McDonald	Pleasant	Valan
Esau	Kahn	Mehrkens	Prahl	Voss
Evans	Kaley	Minne	Rees	Waldorf
Ewald	Kelly	Munger	Reif	Welker
Faricy	Knickerbocker	Nelson	Rice	Wenzel
Forsythe	Kroening	Niehaus	Rodriguez	Wigley
Fritz	Kvam	Norman	Searles	Wynia
Greenfield	Laidig	Novak	Sherwood	Zubay
Halberg	Levi	Nysether	Sieben, H.	Spkr. Norton

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

Fritz moved to amend H. F. No. 2476, as follows:

Page 128, after line 5, insert:

"Sec. 140. [FARE ASSUMPTIONS.] *Fares charged by the metropolitan transit commission shall be established in January of each year on an assumption that fares, together with social fare reimbursements, advertising revenue and revenue from contracts which contribute directly to covering costs of services, should provide at least 50 percent of the cost of regular transit services.*"

Page 128, line 19, delete "140" and insert "141"

Page 128, line 20, delete "140" and insert "141"

Renumber the sections accordingly

A roll call was requested and properly seconded.

Swanson moved to amend the Fritz amendment to H. F. No. 2476, as follows:

After "services" and before the period insert:

"and no community shall be taxed to pay over 100 percent of the cost of a ride"

A roll call was requested and properly seconded.

The question was taken on the Swanson amendment to the Fritz amendment and the roll was called. There were 49 yeas and 68 nays as follows:

Those who voted in the affirmative were :

Aasness	Evans	Kaley	Metzen	Simoneau
Adams	Ewald	Kelly	Novak	Stowell
Biersdorf	Fjoslien	Kempe	Osthoff	Sviggum
Blatz	Forsythe	Kostohryz	Peterson, B.	Swanson
Carlson, D.	Friedrich	Kvam	Piepho	Valento
Carlson, L.	Fritz	Laidig	Pleasant	Voss
Dempsey	Heinitz	Levi	Redalen	Wieser
Den Ouden	Hoberg	Mann	Reif	Wigley
Drew	Hokanson	McCarron	Schreiber	Zubay
Esau	Jacobs	McEachern	Sieben, M.	

Those who voted in the negative were :

Anderson, B.	Dean	Kahn	Norman	Sherwood
Anderson, D.	Eken	Kalis	Nysether	Stadum
Anderson, G.	Elioff	Kroening	Olsen	Stoa
Anderson, I.	Ellingson	Lehto	Onnen	Thiede
Battaglia	Faricy	Ludeman	Otis	Tomlinson
Begich	Fudro	Luknic	Patton	Valan
Berkelman	Greenfield	McDonald	Pehler	Vanasek
Brinkman	Halberg	Mehrkens	Peterson, D.	Waldorf
Byrne	Haukoos	Minne	Reding	Weaver
Casserly	Heap	Munger	Rees	Welker
Clark	Jennings	Murphy	Rice	Wenzel
Clawson	Johnson, C.	Nelsen, B.	Rodriguez	Wynia
Corbid	Johnson, D.	Nelson	Rothenberg	
Crandall	Jude	Niehaus	Searles	

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

The question recurred on the Fritz amendment and the roll was called. There were 64 yeas and 68 nays as follows :

Those who voted in the affirmative were :

Aasness	Evans	Kalis	Onnen	Sherwood
Ainley	Ewald	Kempe	Peterson, B.	Stadum
Albrecht	Fjoslien	Kvam	Piepho	Stowell
Biersdorf	Forsythe	Levi	Pleasant	Sviggum
Blatz	Friedrich	Ludeman	Prahl	Thiede
Carlson, D.	Fritz	Luknic	Redalen	Valan
Crandall	Halberg	McDonald	Reding	Valento
Dempsey	Haukoos	McEachern	Rees	Welch
Den Ouden	Heinitz	Mehrkens	Reif	Welker
Drew	Hoberg	Nelsen, B.	Rose	Wieser
Elioff	Jennings	Niehaus	Schreiber	Wigley
Erickson	Johnson, D.	Norman	Searle	Zubay
Esau	Kaley	Nysether	Searles	

Those who voted in the negative were :

Adams	Berkelman	Corbid	Heap	Kelly
Anderson, B.	Brinkman	Dean	Hokanson	Knickerbocker
Anderson, D.	Byrne	Eken	Jacobs	Kostohryz
Anderson, G.	Carlson, L.	Ellingson	Jaros	Kroening
Anderson, I.	Casserly	Faricy	Johnson, C.	Laidig
Battaglia	Clark	Fudro	Jude	Lehto
Berglin	Clawson	Greenfield	Kahn	Long

Mann	Nelsen, M.	Pehler	Sieben, M.	Waldorf
McCarron	Nelson	Peterson, D.	Simoneau	Weaver
Metzen	Novak	Rice	Stoa	Wenzel
Minne	Olsen	Rodriguez	Swanson	Wynia
Moe	Osthoff	Rothenberg	Tomlinson	Spkr. Norton
Munger	Otis	Sarna	Vanasek	
Murphy	Patton	Sieben, H.	Voss	

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

Carlson, D., moved to amend H. F. No. 2476, as follows :

Page 12, line 23, delete "It shall be expended only if"

Page 12, delete lines 24 through 27

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 29 yeas and 95 nays as follows :

Those who voted in the affirmative were :

Ainley	Den Ouden	Heinitz	Mehrkens	Schreiber
Albrecht	Erickson	Jacobs	Murphy	Stowell
Anderson, I.	Esau	Jude	Nelsen, B.	Sviggum
Biersdorf	Fjoslien	Kaley	Niehaus	Wigley
Carlson, D.	Friedrich	Kalis	Pleasant	Zubay
Dempsey	Haukoos	McDonald	Redalen	

Those who voted in the negative were :

Adams	Eken	Kostohryz	Novak	Sieben, H.
Anderson, B.	Elioff	Kroening	Nysether	Sieben, M.
Anderson, D.	Ellingson	Kvam	Olsen	Simoneau
Anderson, G.	Faricy	Laidig	Onnen	Stadum
Battaglia	Forsythe	Lehto	Osthoff	Stoa
Begich	Fritz	Levi	Otis	Swanson
Berglin	Fudro	Long	Pehler	Thiede
Berkelman	Greenfield	Ludeman	Peterson, B.	Tomlinson
Blatz	Halberg	Luknic	Peterson, D.	Valan
Brinkman	Heap	Mann	Piepho	Vanasek
Byrne	Hoberg	McCarron	Prahl	Voss
Carlson, L.	Hokanson	McEachern	Reding	Waldorf
Casserly	Jennings	Metzen	Rees	Weaver
Clark	Johnson, C.	Minne	Reif	Welch
Clawson	Johnson, D.	Moe	Rice	Welker
Corbid	Kahn	Munger	Rodriguez	Wenzel
Crandall	Kelly	Nelsen, M.	Rothenberg	Wieser
Dean	Kempe	Nelson	Sarna	Wynia
Drew	Knickerbocker	Norman	Sherwood	Spkr. Norton

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

CALL OF THE HOUSE

On the motion of Voss and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Drew	Kempe	Nysether	Simoneau
Adams	Ellingson	Knickerbocker	Olsen	Stadum
Ainley	Erickson	Kostohryz	Omnen	Stoa
Albrecht	Esau	Kroening	Osthoff	Stowell
Anderson, B.	Evans	Kvam	Otis	Sviggum
Anderson, D.	Ewald	Laidig	Patton	Swanson
Anderson, G.	Fjoslien	Lehto	Pehler	Thiede
Anderson, I.	Forsythe	Levi	Peterson, B.	Tomlinson
Anderson, R.	Friedrich	Long	Peterson, D.	Valan
Battaglia	Fritz	Ludeman	Piepho	Valento
Begich	Fudro	Luknic	Prahl	Vanasek
Bermlin	Greenfield	Mann	Redalen	Voss
Berkelman	Halberg	McCarron	Reding	Waldorf
Biersdorf	Haukoos	McDonald	Rees	Weaver
Blatz	Heap	McEachern	Reif	Welch
Brinkman	Heinitz	Mehrkens	Rice	Welker
Byrne	Hoberg	Metzen	Rodriguez	Wenzel
Carlson, D.	Hokanson	Minne	Rose	Wieser
Carlson, L.	Jacobs	Munger	Rothenberg	Wigley
Casserly	Jennings	Murphy	Sarna	Wynia
Clawson	Johnson, C.	Nelsen, B.	Schreiber	Zubay
Corbid	Johnson, D.	Nelsen, M.	Searle	Spkr. Norton
Crandall	Jude	Nelson	Searles	
Dean	Kahn	Niehaus	Sherwood	
Dempsey	Kaley	Norman	Sieben, H.	
Den Ouden	Kelly	Novak	Sieben, M.	

Voss moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

H. F. No. 2476, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivision 1; 16.854, Subdivision 1; 16A.131, by adding a subdivision; 16A.67, Subdivision 1; 16A.721; 43.005, by adding a subdivision; 43.05, Subdivision 2; 43.062, Subdivisions 1, 2 and 3; 43.065; 43.067, Subdivision 2; 43.068; 43.323, Subdivisions 1 and 2; 43.35; 62D, by adding a subdivision; 82.34; 90.195; 94.10, Subdivision 1; 94.16; 121.90; 121.902, Subdivision 1; 121.906, Subdivision 2; 121.908; 121.912, Subdivision 2; 121.914, Subdivision 1; 136.81, Subdivision 1; 145.913, Subdivision 3; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62, Subdivisions 2 and 3; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 246.014; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25;

352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 403.11, Subdivision 3; 473.408, Subdivision 3; 490.123, Subdivision 1; and Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 121, by adding sections; 216A, by adding a section; 246, by adding a section; 253A, by adding a section; 256, by adding a section; 259, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.3005, Subdivision 4; 15A.083, Subdivision 4; 16A.126; 174.28, Subdivision 2; 43.09, Subdivision 2a; 43.24; 82.81, Subdivision 1; 121.917, Subdivision 4; 354A.12, Subdivision 2; 422A.101, Subdivision 3; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5; 301, Section 3 by adding a subdivision; repealing Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 121.92, Subdivision 1; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.93; 16.965; 121.92, Subdivision 2; and Laws 1979, Chapter 217, Section 11.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Nelson	Searles
Adams	Eken	Kaley	Niehaus	Sherwood
Ainley	Elioff	Kalis	Norman	Sieben, H.
Albrecht	Ellingson	Kelly	Novak	Sieben, M.
Anderson, B.	Erickson	Kempe	Nysether	Simoneau
Anderson, D.	Esau	Knickerbocker	Olsen	Stadum
Anderson, G.	Evans	Kostohryz	Onnen	Stoa
Anderson, I.	Ewald	Kroening	Osthoff	Stowell
Anderson, R.	Faricy	Kvam	Otis	Sviggum
Battaglia	Fjoslien	Laidig	Patton	Swanson
Begich	Forsythe	Lehto	Pehler	Thiede
Berglin	Friedrich	Levi	Peterson, B.	Tomlinson
Berkelman	Fritz	Long	Peterson, D.	Valan
Biersdorf	Fudro	Ludeman	Piepho	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Halberg	Mann	Prahl	Voss
Byrne	Haukoos	McCarron	Redalen	Waldorf
Carlson, D.	Heap	McDonald	Reding	Weaver
Carlson, L.	Heinitz	McEachern	Rees	Welch
Casserly	Hoberg	Mehrkens	Reif	Welker
Clark	Hokanson	Metzen	Rice	Wenzel
Clawson	Jacobs	Minne	Rodriguez	Wieser
Corbid	Jaros	Moe	Rose	Wigley
Crandall	Jennings	Munger	Rothenberg	Wynia
Dean	Johnson, C.	Murphy	Sarna	Zubay
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Den Ouden	Jude	Nelsen, M.	Searle	

The bill was passed and its title agreed to.

H. F. No. 2470 was reported to the House.

Den Ouden moved to amend H. F. No. 2470, as follows:

Page 2, delete lines 8 to 15

Renumber the subsections accordingly

Page 1, line 16, delete "\$1,042,500" and insert "\$430,000"

Page 2, line 1, delete "\$12,304,700" and insert "\$11,685,200"

Page 2, line 6, delete "\$1,042,500" and insert "\$430,000"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

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

There were 59 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kaley	Norman	Stadum
Ainley	Esau	Kalis	Nysether	Stoa
Albrecht	Ewald	Kempe	Onnen	Stowell
Anderson, R.	Fjoslien	Knickerbocker	Patton	Swiggum
Biersdorf	Forsythe	Kvam	Peterson, B.	Thiede
Blatz	Friedrich	Levi	Piepho	Valan
Carlson, D.	Fritz	Ludeman	Pleasant	Valento
Corbid	Haukoos	Luknic	Redalen	Weaver
Crandall	Hoberg	McDonald	Reding	Welker
Dempsey	Jennings	McEachern	Rees	Wieser
Den Ouden	Johnson, D.	Mehrkens	Searles	Zubay
Drew	Jude	Niehaus	Sherwood	

Those who voted in the negative were:

Adams	Dean	Kostohryz	Olsen	Sieben, M.
Anderson, B.	Eken	Kroening	Osthoff	Simoneau
Anderson, D.	Elioff	Laidig	Otis	Swanson
Anderson, G.	Evans	Lehto	Pehler	Tomlinson
Anderson, I.	Faricy	Long	Peterson, D.	Vanasek
Battaglia	Fudro	Mann	Prahl	Voss
Begich	Greenfield	McCarron	Reif	Waldorf
Berglin	Heap	Metzen	Rice	Welch
Berkelman	Heinitz	Minne	Rodriguez	Wenzel
Brinkman	Hokanson	Moe	Rose	Wigley
Byrne	Jacobs	Munger	Rothenberg	Wynia
Carlson, L.	Jaros	Murphy	Sarna	Spkr. Norton
Casserly	Johnson, C.	Nelsen, B.	Schreiber	
Clark	Kahn	Nelson	Searle	
Clawson	Kelly	Novak	Sieben, H.	

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

H. F. No. 2470, A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; authorizing purchase and sale of public lands and buildings; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

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

There were 130 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Jude	Nelson	Searles
Adams	Drew	Kahn	Niehaus	Sherwood
Ainley	Eken	Kaley	Norman	Sieben, H.
Albrecht	Elioff	Kelly	Novak	Sieben, M.
Anderson, B.	Ellingson	Kempe	Nysether	Simoneau
Anderson, D.	Erickson	Knickerbocker	Olsen	Stadum
Anderson, G.	Esau	Kostohryz	Onnen	Stoa
Anderson, I.	Evans	Kroening	Osthoff	Stowell
Anderson, R.	Ewald	Kvam	Otis	Sviggum
Battaglia	Faricy	Laidig	Patton	Swanson
Begich	Fjoslien	Lehto	Pehler	Thiede
Berglin	Forsythe	Levi	Peterson, B.	Tomlinson
Berkelman	Friedrich	Long	Peterson, D.	Valan
Biersdorf	Fritz	Ludeman	Piepho	Valento
Blatz	Fudro	Luknic	Pleasant	Vanasek
Brinkman	Greenfield	Mann	Prahl	Voss
Byrne	Haukoos	McCarron	Redalen	Waldorf
Carlson, D.	Heap	McEachern	Rees	Weaver
Carlson, L.	Heinitz	Mehrkens	Reif	Welch
Casserly	Hoberg	Metzen	Rice	Welker
Clark	Hokanson	Minne	Rodriguez	Wenzel
Clawson	Jacobs	Moe	Rose	Wieser
Corbid	Jaros	Munger	Rothenberg	Wigley
Crandall	Jennings	Murphy	Sarna	Wynia
Dean	Johnson, C.	Nelsen, B.	Schreiber	Zubay
Dempsey	Johnson, D.	Neisen, M.	Searle	Spkr. Norton

Those who voted in the negative were:

Kalis McDonald Reding

The bill was passed and its title agreed to.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Sieben, H., from the Committee on Taxes to which was referred:

H. F. No. 1047, A bill for an act relating to county and county regional jails; providing for establishment and use of county jails and county regional jails and the financing thereof by county contributions and bonds and municipal revenue bonds and leases; amending Minnesota Statutes 1978, Sections 474.01, Subdivisions 7a and 8, and by adding a subdivision; 474.02, by adding a subdivision; 641.23; 641.24; 641.262, Subdivision 1; 641.263, Subdivision 2; 641.264, Subdivision 1; 641.265; and 642.04.

Reported the same back with the following amendments:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1978, Section 375.18, Subdivision 3, is amended to read:

Subd. 3. [COURTHOUSE, JAIL.] Each county board may erect, furnish, and maintain a suitable court house (AND JAIL,) but no indebtedness shall be created for such purpose in excess of one and two-thirds mills on each dollar of assessed valuation without the approval of a majority of the voters of the county voting on the question of issuing the obligation at an election."

Page 2, line 31, delete "(5)" and insert "(6)"

Page 2, line 32, delete "(11)" and insert "(12)"

Page 3, line 9 to 11, delete the underscored text and insert:

"provisions of chapter 475, provided that:

(a) The amount of all bonds issued for this purpose and interest on them which are due and payable in any year shall not exceed an amount equal to four mills times the assessed value of taxable property within the county, as last determined before the bonds are issued; and

(b) No election shall be required, if the issuance of the bonds is authorized by resolution of the county board after a public hearing on the acquisition or betterment of the jail, held upon notice published in the official county newspaper on a date at least 30 days before the hearing, stating the time and place of the hearing, the place where the plans approved by the commissioner of corrections may be examined, and the estimated cost including all incidental costs"

Page 6, line 4, strike "chapter 475" and insert "section 641.23"

Renumber the sections in order

Further, amend the title:

Page 1, line 7, after "Sections" insert "385.18, Subdivision 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, H., from the Committee on Taxes to which was referred:

H. F. No. 2436, A bill for an act relating to the city of Duluth; providing for certain city tax revenues; repealing Laws 1973, Chapter 461, as amended; and Laws 1977, Chapter 438, as amended.

Reported the same back with the following amendments:

Page 1, line 22, delete the language after "(c)"

Page 2, line 1, delete "\$100,000 for any taxpayer"

Page 2, line 3, after the period insert "The tax imposed pursuant to this subdivision shall terminate no later than December 31, 1992."

Page 2, line 9, delete "of only those" and insert "from the sale of lodging for periods of less than 30 days in"

Page 2, line 10, delete "which have 18 units or more, and" and insert "located in the city."

Page 2, line 31, after the period insert "If the city council approves the imposition of the tax authorized under section 1, subdivision 2, it may provide for the exemption from taxation of sales of food, meals or drinks at establishments having an aggregate yearly amount of sales less than an amount to be set by the council. If the city council approves the imposition of the tax authorized under section 2, it may provide for the exemption from taxation of sales of lodging at hotels or motels having less than a number of rental units to be set by the council. The determination of the amount of sales and number of units which qualify for the exemption shall be based on the council's finding that establishments having a lower volume of sales or fewer units are less likely to profit from the promotion of tourism provided with the proceeds of the revenues pursuant to section 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, H., from the Committee on Taxes to which was referred:

S. F. No. 507, A bill for an act relating to taxation; providing for a levy apportionment for certain jurisdictions upon an assessment level differential greater than five percent; amending Minnesota Statutes 1978, Section 270.12, Subdivision 3.

Reported the same back with the following amendments:

Page 1, line 16, reinstate "(MAY)" and delete "shall"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1047 and 2436 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 507 was read for the second time.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the repassage by the Senate of the following Senate File, notwithstanding the veto by the Governor:

S. F. No. 550, A bill for an act relating to elections; regulating campaign financing; increasing certain expenditure limits; amending Minnesota Statutes 1978, Section 10A.25, Subdivision 2.

The enrolled copy of Senate File No. 550, with all of the signatures of the officers of the Senate and the House together with the Governor's objections, is herewith transmitted.

PATRICK E. FLAHAVEN, Secretary of the Senate

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

March 10, 1980

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I am vetoing Senate File 550. This act, if allowed to become law, would have permitted candidates campaigning for a legislative or constitutional office to spend an increased amount of money on their elections.

The focus of public policy should turn from the cost of a campaign to the sources of the money for a campaign.

I have long been an advocate of reduced contribution limits. It is illogical to assume that candidates are tainted by the amount they spend on their campaigns. Rather, the potential for creating undue influence is derived from the amount any one individual or group can contribute to a candidate.

Merely increasing spending limits is not the solution to ensure that elections will be fair and free from abuse. It's my belief that S. F. No. 550 has the potential of repressing rather than improving our political process.

Campaign financing is an important facet of Minnesota's Ethics in Government Act. It is an area of law which should be addressed *in toto* rather than piecemeal. By simply raising expenditure limits the Legislature has failed to consider other changes which have been recently suggested by the Ethical Practices Board. This Board is given the statutory authority to indicate apparent abuses and offer legislative recommendations regarding this Act.

For seven months the Board undertook an extensive analysis of public financing of election campaigns. Their study focused on how well Minnesota's program has met the goals of the public financing system which was adopted in 1974.

Their report, transmitted to the Legislature in January, recommended the *elimination* of expenditure limits. The bipartisan Board concluded:

- a. Spending limits do not hold down the costs of campaigns;

b. Spending limits inhibit a challenger's ability to obtain name recognition and identity which any incumbent inherently has already acquired;

c. Current emphasis on spending limits is misdirected. Rather, public policy should be to control the impact of campaign money by a reduction in contribution limits.

I find it regrettable that the Legislature not only acted contrary to the Board's conclusions, but more disturbing, failed to even consider them before enacting this bill.

It is quite apparent that the provision of S. F. No. 550 are politically motivated. This act has been placed on my desk without careful study or legislative deliberation. This law would not benefit the people of this State.

I am encouraged that the Senate Elections Committee has adopted several of the recommendations of the Ethical Practices Board. I urge that they all be adopted. The Board's recommendations which received unanimous approval included:

- a. Increase the political checkoff to \$2.00 (single) and \$4.00 (joint);
- b. Eliminate the party designated checkoff;
- c. Substitute a matching fund system for the current grant system of public financing;
- d. Eliminate campaign expenditure limits;
- e. Reduce contribution limits.

For the reasons set forth in this message, and with the hope that the Board's recommendations be adopted, I cannot allow S. F. No. 550 to become law. I am, therefore, returning it to you unsigned.

Sincerely,

ALBERT H. QUIE
Governor

Osthoff moved that S. F. No. 550 be now reconsidered and repassed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

Kempe was excused from 4:45 p.m. to 6:30 p.m.

The question was taken on the motion of Osthoff to reconsider and repass S. F. No. 550, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota and the roll was called viva voce. There were 68 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Kalis	Nelsen, M.	Sieben, M.
Anderson, B.	Eken	Kelly	Nelson	Simoneau
Anderson, G.	Elioff	Kostohryz	Novak	Stoa
Anderson, I.	Ellingson	Kroening	Osthoff	Swanson
Battaglia	Faricy	Lehto	Otis	Tomlinson
Begich	Fritz	Long	Patton	Vanasek
Berglin	Fudro	Mann	Pehler	Voss
Berkelman	Greenfield	McCarron	Peterson, D.	Waldorf
Brinkman	Hokanson	McEachern	Prahl	Welch
Byrne	Jacobs	Metzen	Reding	Wenzel
Carlson, L.	Jaros	Minne	Rice	Wynia
Casserly	Johnson, C.	Moe	Rodriguez	Spkr. Norton
Clark	Jude	Munger	Sarna	
Clawson	Kahn	Murphy	Sieben, H.	

Those who voted in the negative were:

Aasness	Erickson	Johnson, D.	Nysether	Searles
Ainley	Esau	Kaley	Olsen	Sherwood
Albrecht	Evans	Knickerbocker	Onnen	Stadum
Anderson, D.	Ewald	Kvam	Peterson, B.	Stowell
Anderson, R.	Fjoslien	Laidig	Piepho	Sviggum
Biersdorf	Forsythe	Levi	Pleasant	Thiede
Blatz	Friedrich	Ludeman	Redalen	Valan
Carlson, D.	Halberg	Luknic	Rees	Valento
Crandall	Haukoos	McDonald	Reif	Weaver
Dean	Heap	Mehrkens	Rose	Welker
Dempsey	Heimitz	Nelsen, B.	Rothenberg	Wieser
Den Ouden	Hoberg	Niehaus	Schreiber	Wigley
Drew	Jennings	Norman	Searle	Zubay

Not having received the required two-thirds vote the bill was not repassed.

SPECIAL ORDERS

Anderson, R., was excused from 5:10 p.m. to 7:00 p.m.

H. F. No. 378 was reported to the House.

Otis moved to amend H. F. No. 378, as follows:

Amend the title as follows:

Page 1, line 5, delete "legislative approval;"

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE LIFTED

Forsythe moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Otis moved to amend H. F. No. 378, as follows :

Page 1, line 13, delete "permanent,"

Page 2, line 20, delete "or for"

Page 2, delete all of line 21

Page 2, line 31, after "shall" insert "not"

Page 3, delete lines 22 to 32 and insert :

"(1) that the Nuclear Regulatory Commission, or its successor, has licensed use of the means and facilities for the safe and terminal disposition of radioactive waste material from the proposed plant; and

(2) that the cost for such demonstrated technologically feasible means and facilities can be calculated to reasonable accuracy."

The motion prevailed and the amendment was adopted.

Waldorf was excused for the remainder of today's session.

Zubay moved to amend H. F. No. 378, as amended, as follows :

Page 1, before "disposal" delete "and terminal"

In the Otis amendment to H. F. No. 378, amend as follows :

Line 9, delete "has licensed use of the" and insert "will have the"

Line 10, delete "and terminal" and insert "interim"

Line 11, after "plant" insert "until the commission determines a means for final disposition"

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE

On the motion of Otis and on the demand of 10 members, a call of the House was ordered. The following members answered to their names :

Aasness	Ellingson	Kalis	Novak	Sieben, M.
Adams	Erickson	Kelly	Nysether	Simoneau
Ainley	Esau	Kostohryz	Olsen	Stadum
Albrecht	Evans	Kroening	Onnen	Stoa
Anderson, B.	Ewald	Kvam	Osthoff	Stowell
Anderson, D.	Faricy	Laidig	Otis	Swiggum
Anderson, G.	Fjoslien	Lehto	Patton	Swanson
Anderson, I.	Forsythe	Levi	Pehler	Thiede
Battaglia	Friedrich	Long	Peterson, B.	Tomlinson
Begich	Fritz	Ludeman	Peterson, D.	Valan
Berglin	Fudro	Luknic	Piepho	Valento
Biersdorf	Greenfield	Mann	Pleasant	Vanasek
Blatz	Halberg	McCarron	Prahl	Voss
Brinkman	Haukoos	McDonald	Redalen	Weaver
Byrne	Heap	McEachern	Reding	Welch
Carlson, L.	Heinitz	Mehrkens	Rees	Welker
Clark	Hoberg	Metzen	Reif	Wenzel
Clawson	Hokanson	Minne	Rice	Wieser
Corbid	Jacobs	Moe	Rodriguez	Wigley
Crandall	Jaros	Munger	Rose	Wynia
Dean	Jennings	Murphy	Rothenberg	Zubay
Dempsey	Johnson, C.	Nelsen, B.	Sarna	Spkr. Norton
Den Ouden	Johnson, D.	Nelsen, M.	Schreiber	
Drew	Jude	Nelson	Searles	
Eken	Kahn	Niehaus	Sherwood	
Elioff	Kaley	Norman	Sieben, H.	

Otis moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

H. F. No. 378, A bill for an act relating to nuclear waste management and disposal; requiring certificates of feasibility; administration by the Minnesota energy agency; providing penalties.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 58 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Faricy	Kelly	Nelson	Sarna
Anderson, G.	Fjoslien	Kostohryz	Novak	Sieben, H.
Anderson, I.	Forsythe	Kroening	Olsen	Sieben, M.
Berglin	Fritz	Lehto	Otis	Stoa
Blatz	Fudro	Levi	Patton	Tomlinson
Byrne	Greenfield	Long	Pehler	Vanasek
Carlson, L.	Hokanson	McCarron	Peterson, D.	Welch
Casserly	Jacobs	Minne	Prahl	Wieser
Clark	Jaros	Moe	Reding	Wynia
Clawson	Johnson, C.	Munger	Reif	Spkr. Norton
Corbid	Jude	Murphy	Rice	
Ellingson	Kahn	Nelsen, M.	Rose	

Those who voted in the negative were:

Aasness	Ainley	Anderson, D.	Begich	Biersdorf
Adams	Albrecht	Battaglia	Berkelman	Brinkman

Carlson, D.	Halberg	Luknic	Piepho	Sviggum
Crandall	Haukoos	Mann	Pleasant	Swanson
Dean	Heap	McDonald	Redalen	Thiede
Dempsey	Heinitz	McEachern	Rees	Valan
Den Ouden	Hoberg	Mehrkens	Rodriguez	Valento
Drew	Jennings	Metzen	Rothenberg	Voss
Eken	Johnson, D.	Nelsen, B.	Schreiber	Weaver
Elioff	Kaley	Niehaus	Searle	Weiker
Erickson	Kalis	Norman	Searles	Wenzel
Esau	Knickerbocker	Nysether	Sherwood	Wigley
Evans	Kvam	Onnen	Simoneau	Zubay
Ewald	Laidig	Osthoff	Stadum	
Friedrich	Ludeman	Peterson, B.	Stowell	

The bill was not passed, as amended.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Voss from the Committee on Appropriations to which was referred:

H. F. No. 733, A bill for an act relating to veterans; increasing the maximum amount of certain educational grants to certain persons; appropriating money; amending Minnesota Statutes 1978, Sections 197.11; and 197.75, Subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sieben, H., from the Committee on Taxes to which was referred:

H. F. No. 1612, A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing property tax relief; appropriating money.

Reported the same back with the following amendments:

Page 6, line 14, after "successor" delete the comma and insert "or"

Page 9, delete lines 8 to 18 and insert "solely with reference to its appropriate agricultural classification and value notwithstanding sections 272.03, subdivision 8 and 273.11. In determining such value for ad valorem tax purposes the assessor shall not consider any added values resulting from nonagricultural factors."

Page 10, line 10, delete "1982" and insert "1983"

Page 10, after line 18, insert

"This section shall be effective for 1982 assessments for taxes payable in 1983."

Page 11, line 13, delete "and forest land" and insert "land preservation"

Pages 12, 13 and 14, delete section 15, and insert:

"Sec. 15. [EMINENT DOMAIN ACTIONS.] Subdivision 1. Any agency of the state, any public benefit corporation, any local, county or regional unit of government, or any other entity possessing powers of eminent domain under Minnesota Statutes, Chapter 117, shall follow the procedures contained in this section before (1) moving to acquire any land or easement having a gross area over ten acres in size within agricultural preserves; or (2) moving to advance a grant, loan, interest subsidy or other funds for the construction of dwellings, commercial or industrial facilities, or water or sewer facilities that could be used to serve nonfarm structures within agricultural preserves.

Subd. 2. Notice of intent shall be filed with the environmental quality board 60 days prior to such action containing information and in the manner and form required by the environmental quality board. The notice of intent shall contain a report justifying the proposed action, including an evaluation of alternatives which would not require acquisition within agricultural preserves.

Subd. 3. The environmental quality board, in consultation with affected units of government, shall review the proposed action to determine the effect on the preservation and enhancement of agriculture and agricultural resources within the preserves, and the relationship to local and regional comprehensive plans.

Subd. 4. If the environmental quality board finds that the proposed action might have an unreasonable effect on an agricultural preserve or preserves, the environmental quality board shall issue an order within the 60 day period for the party to desist from such action for an additional 60 day period.

Subd. 5. During the additional 60 day period, the environmental quality board shall hold a public hearing concerning the proposed action at a place within the preserve or otherwise easily accessible to the preserves upon notice in a newspaper having a general circulation within the area of the preserves, and individual notice, in writing, to the municipalities whose territory encompasses the preserves, and the agency, corporation or government proposing to take the action, to any public agency having the power of review of or approval of the action, and in a manner conducive to the wide dissemination of the findings to the public.

Subd. 6. The review process required in this section may be conducted jointly with any other environmental impact review conducted by the environmental quality board.

Subd. 7. The environmental quality board may request the attorney general to bring an action to enjoin any agency, corporation or government from violating the provisions of this subdivision.

Subd. 8. This section shall not apply to an emergency project which is immediately necessary for the protection of life and property.

Subd. 9. The environmental quality board shall be empowered to suspend any eminent domain action for up to one year which it determines to be contrary to the purposes of sections 2 to 19 and for which it determines there are reasonable and cost effective alternatives which have less negative impact on the agricultural preserves."

Page 16, after line 33, insert:

"Sec. 19. Minnesota Statutes 1978, Section 462.351, is amended to read:

462.351 [MUNICIPAL PLANNING AND DEVELOPMENT; STATEMENT OF POLICY.] The legislature finds that municipalities are faced with mounting problems in providing means of guiding future development of land so as to insure a safer, more pleasant and more economical environment for residential, commercial, industrial and public activities, *to preserve agricultural and other open lands*, and to promote the public health, safety, (MORALS) and general welfare. Municipalities can prepare for anticipated changes and by such preparations bring about significant savings in both private and public expenditures. Municipal planning, by providing public guides to future municipal action, enables other public and private agencies to plan their activities in harmony with the municipality's plans. Municipal planning will assist in developing lands more wisely to serve citizens more effectively, will make the provision of public services less costly, and will achieve a more secure tax base. It is the purpose of sections 462.351 to 462.364 to provide municipalities, in a single body of law, with the necessary powers and a uniform procedure for adequately conducting and implementing municipal planning.

Sec. 20. Minnesota Statutes 1978, Section 462.358, Subdivision 4, is amended to read:

Subd. 4. [RESTRICTIONS ON FILING AND RECORDING CONVEYANCES.] In a municipality in which subdivision regulations are in force and have been filed or recorded as provided in this section, no conveyance of land to which the regulations are applicable shall be filed or recorded, if the land is described in the conveyance by metes and bounds or by reference to an unapproved registered land survey made after

April 21, 1961 or to an unapproved plat made after such regulations become effective. The foregoing provision does not apply to a conveyance if the land described:

(1) was a separate parcel of record April 1, 1945 or the date of adoption of subdivision regulations under Laws 1945, Chapter 287, whichever is the later, or of the adoption of subdivision regulations pursuant to a home rule charter, or

(2) was the subject of a written agreement to convey entered into prior to such time,

(3) was a separate parcel of not less than two and one-half acres in area and 150 feet in width on January 1, 1966, or

(4) was a separate parcel of not less than five acres in area and 300 feet in width on July 1, 1980, or

((4) (5) is a single parcel of *commercial or industrial* land of not less than five acres and having a width of not less than 300 feet and its conveyance does not result in the division of the parcel into two or more lots or parcels, any one of which is less than five acres in area or 300 feet in width (.), or

(6) is a single parcel of *residential or agricultural* land of not less than 20 acres and having a width of not less than 500 feet and its conveyance does not result in the division of the parcel into two or more lots or parcels, any one of which is less than 20 acres in area or 500 feet in width.

In any case in which compliance with the foregoing restrictions will create an unnecessary hardship and failure to comply does not interfere with the purpose of the subdivision regulations, the platting authority may waive such compliance by adoption of a resolution to that effect and the conveyance may then be filed or recorded. Any owner or agent of the owner of land who conveys a lot or parcel in violation of the provisions of this subdivision shall forfeit and pay to the municipality a penalty of not less than \$100 for each lot or parcel so conveyed. A municipality may enjoin such conveyance or may recover such penalty by a civil action in any court of competent jurisdiction."

Page 17, line 1, delete "19" and insert "21"

Page 17, line 2, delete "June" and insert "July"

Underscore all new material.

Amend the title as follows:

Page 1, line 4, after "relief;" insert "excepting the conveyance of certain land from restrictions on the filing and recording of

Voss from the Committee on Appropriations to which was referred:

H. F. No. 262, A bill for an act relating to local government; permitting self insurance for local governments; authorizing insurance pooling; appropriating money; amending Minnesota Statutes 1978, Sections 60A.02, Subdivisions 3 and 4; 79.01, Subdivisions 2 and 3; and Chapter 471, by adding sections.

Reported the same back with the following amendments:

Page 5, line 22, delete "[APPROPRIATION.] *The sum of \$_____ is*"

Page 5, lines 23 and 24, delete the language before the period and insert

"The commissioner shall perform the duties assigned in this act within the appropriations and complement established by Laws 1979, Chapter 333, Section 32"

Further, amend the title as follows:

Page 1, line 4, after "pooling;" delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1443, A bill for an act relating to transportation; providing for a transportation board; providing for transfer of certain duties, powers and functions of 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 1978, Sections 174.02, Subdivision 4; 174.03, Subdivision 2; 174.10, Subdivisions 1, 3, 4; 218.011, Subdivision 7; 218.021; 218.025; 218.031, Subdivisions 1, 6, 8, 10; 218.041; 218.071; 219.03; 219.14; 219.23; 219.24; 219.25; 219.27; 219.28; 219.383; 219.39; 219.40; 219.41; 219.42; 219.43; 219.46, Subdivision 7; 219.47; 219.51; 219.52; 219.54; 219.55; 219.562, Subdivision 3; 219.65; 219.681; 219.70; 219.71; 219.741; 219.85; 219.86; 219.87; 221.011, Subdivisions 2b, 15; 221.021; 221.031, Subdivision 1; 221.041; 221.051; 221.061; 221.071; 221.081; 221.101; 221.121; 221.131; 221.141, Subdivision 2; 221.151; 221.161; 221.171; 221.181; 221.221; 221.261; 221.271; 221.281; 221.291, Subdivision 1; 221.293; 221.295; 221.296, Subdivisions 2, 3, 4, 8; 221.55; 221.68; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 1; and 221.011, Subdivision 22; repealing Minnesota Statutes 1978, Section 219.742.

Reported the same back with the following amendments:

Page 6, line 14, delete "APPROPRIATION;"

Page 6, line 14, delete "*Subdivision 1.*"

Page 6, delete lines 15 to 18

Page 6, line 19, delete "*Subd. 2.*"

Page 75, line 29, delete "1980" and insert "1981"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1763, A bill for an act relating to education; increasing the bonding authority of the higher education coordinating board; amending Minnesota Statutes, 1979 Supplement, Section 136A.171.

Reported the same back with the following amendments:

Page 1, line 18, delete "\$300,000,000" and insert "\$275,000,000"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

S. F. No. 654, A bill for an act relating to human services; providing state recognition and financial grants to volunteer programs for retired senior citizens; appropriating money.

Reported the same back with the following amendments:

Page 2, line 12, delete "1980" and insert "1981"

Page 2, line 22, delete "board on aging" and insert "commissioner of public welfare"

Page 2, line 23, delete "\$400,000" and insert "\$200,000"

Page 2, delete lines 25 and 26

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

S. F. No. 975, A bill for an act relating to cemeteries; providing for the preservation of burial grounds; eliminating obsolete provisions; imposing penalties; appropriating money; amending Minnesota Statutes 1978, Section 307.08; repealing Minnesota Statutes 1978, Section 149.07.

Reported the same back with the following amendments:

Page 4, line 18, delete "1980"

Page 4, line 19, delete first "\$15,000"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1662, A bill for an act relating to state government; providing for a demonstration job-sharing project in state government; appropriating money.

Reported the same back with the following amendments:

Page 2, line 13, after the period insert:

"In no instance shall a person in a shared time position work less than 40 percent time, with the exception of the coordinator of this program. No position shall be selected if it is contained in a unit which is represented by an exclusive representative which has a collective bargaining agreement covering the unit unless the exclusive representative agrees to the selection. All shared time positions shall be equivalent in classification to the full-time position from which they are converted."

Page 4, line 22, delete ", except that" and insert a period

Page 4, line 25, after "cost" insert "to the employer"

Page 4, line 26, delete "of the coverage," and insert a period

Page 5, line 31, after "divisible" delete ", with" and insert a period

Page 5, line 31, after "contributions" insert "by the employer"

Page 5, line 32, delete "to be diminished in the same proportion" and insert "shall be equal to the appropriate share time percent of the full-time benefits"

Page 6, line 13, delete "Subdivision 1. There is"

Page 6, delete lines 14 to 18

Page 6, line 19, delete "Subd. 2."

Page 6, line 21, delete "sums" and insert "sum"

Page 6, line 22, delete "Fiscal year 1982 \$15,000"

Page 6, line 24, delete ".5" and insert "1"

Page 6, line 24, delete "persons" and insert "person"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1710, A bill for an act relating to energy; stating legislative energy policy; providing grants and assistance for community energy planning; assessment of fees for residential energy audits; appropriating money; amending Minnesota Statutes 1978, Section 116H.01; and Chapter 216B, by adding sections; Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 116H.01, is amended to read:

116H.01 [FINDINGS AND PURPOSE.] The legislature finds and declares that (THE PRESENT RAPID) *continued* growth in demand for energy (IS IN PART DUE TO UNNECESSARY ENERGY USE; THAT A CONTINUATION OF THIS TREND WILL RESULT IN SERIOUS DEPLETION OF FINITE QUANTITIES OF FUELS, LAND AND WATER RESOURCES, AND THREATS TO THE STATE'S ENVIRONMENTAL QUALITY; THAT THE STATE MUST INSURE CONSIDERATION OF URBAN EXPANSION, TRANSIT SYSTEMS; ECONOMIC DEVELOPMENT, ENERGY CONSERVATION AND ENVIRONMENTAL PROTECTION IN PLANNING FOR LARGE ENERGY FACILITIES; THAT THERE IS A NEED TO CARRY OUT ENERGY CONSERVATION MEASURES; AND THAT ENERGY PLANNING, PRO-

TECTION OF ENVIRONMENTAL VALUES, DEVELOPMENT OF MINNESOTA ENERGY SOURCES, AND CONSERVATION OF ENERGY REQUIRE EXPANDED AUTHORITY AND TECHNICAL CAPABILITY AND A UNIFIED, COORDINATED RESPONSE WITHIN STATE GOVERNMENT.)

(THE LEGISLATURE SEEKS TO ENCOURAGE THRIFT IN THE USE OF ENERGY, AND TO MAXIMIZE USE OF ENERGY EFFICIENT SYSTEMS, THEREBY REDUCING THE RATE OF GROWTH OF ENERGY CONSUMPTION, PRUDENTLY CONSERVING ENERGY RESOURCES, AND ASSURING STATEWIDE ENVIRONMENTAL PROTECTION CONSISTENT WITH AN ADEQUATE, RELIABLE SUPPLY OF ENERGY.) *will cause severe social and economic dislocations, and that the state has a vital interest in providing for: increased efficiency in energy consumption, the development and use of renewable energy resources wherever possible, and the creation of an effective energy forecasting, planning and education program.*

The legislature further finds and declares that the protection of life, safety and financial security for citizens during an energy crisis is of paramount importance.

Therefore, the legislature finds that it is in the public interest to encourage and support those energy programs which will prevent the need for annual increases in fossil fuel consumption by 1990 and the need for additional electrical generating plants, and provide for an optimum combination of energy sources consistent with environmental protection and the protection of citizens.

The legislature intends to monitor through energy policy, planning, and implementation the transition from historic growth in energy demand to a period when demand for traditional fuels becomes stable and the supply of renewable energy resources is readily available and adequately utilized.

Sec. 2. [116H.089] [COMMUNITY ENERGY PLANNING; GRANTS.] *Subdivision 1. [PURPOSE.] In order to improve the energy planning capabilities of local governments, the energy agency shall make grants to counties and cities, however organized. The energy agency shall give priority when granting funds to those units of government that submit plans that would result in significant savings of traditional energy sources, development of renewable energy systems, and broad community involvement. The director shall give priority to local units of government which agree to pay part of the cost of a program and which request grants for programs which can be duplicated by other local governments. The grants may be used to purchase materials, employ staff or contract with other units of government or qualified consultants.*

Subd. 2. [QUALIFYING EXPENDITURES.] Community energy planning grants may be used for the following purposes:

(a) To gather, monitor, and analyze local energy supply, demand, and cost information;

(b) Preparation of community energy plans which may be incorporated into other community plans and ordinances;

(c) Implementation of programs which result in significant energy savings or the development of alternative and renewable energy resources and which have the potential to achieve community energy conservation goals; and

(d) To assist neighborhood organizations in counties, and cities to do energy planning; and

(e) Any other purposes deemed appropriate by the director of the energy agency.

Subd. 3. [ADMINISTRATION.] The energy agency shall determine priorities pursuant to subdivisions 1 and 2, and shall promulgate rules for the submission and review of applications in accordance with the provisions of chapter 15. For this purpose the energy agency may adopt temporary rules pursuant to the provisions of section 15.0412, subdivision 5.

Sec. 3. Minnesota Statutes 1978, Chapter 216B, is amended by adding a section to read:

[216B.165.] [ENERGY AUDITS.] Subdivision 1. A customer who asks a public utility to perform an energy audit of his residence pursuant to 42 U.S.C. 8211 shall pay no more than \$10 of the administrative and general expenses associated with the audit. The remainder of the administrative and general expenses of operating a program of energy audits pursuant to 42 U.S.C. 8211, including those associated with program audits, list distribution, customer billing services, arranging services and post-installation inspections shall be treated as current operating expenses of providing utility service and shall be charged to all ratepayers of the public utility in the same manner as other current operating expenses of providing utility service.

Subd. 2. All audits performed pursuant to 42 U.S.C. 8211 of residences which are required by section 116H.129, subdivision 3 to comply with energy efficiency standards shall include a separate list of those improvements to the residence which are required to bring the residence into compliance with section 116H.129, subdivision 3, and a statement describing remedies available to tenants for violations.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivision 7, is amended to read:

Subd. 7. Other state agencies authorized to issue permits for siting, construction or operation of large energy facilities, including the department of public service when the proposed facility would be subject to its ratemaking authority, shall present their position regarding need and participate in the public hearing process prior to the issuance or denial of a certificate of need. Issuance or denial of certificates of need shall be the sole and exclusive prerogative of the director and said determinations and certificates shall be binding upon other state departments and agencies, regional, county and local governments and special purpose government districts except as provided in sections 116C.01 to 116C.08 and 116D.04, subdivision 9.

Sec. 5. [APPROPRIATION.] *Subdivision 1. There is appropriated from the general fund to the energy agency the sum of \$50,000 to administer the grant program established by section 2 and to develop model community energy plans and ordinances of statewide applicability pursuant to section 2. This appropriation shall remain available until June 30, 1981. The approved complement of the energy agency is increased by one person.*

Subd. 2. There is appropriated from the general fund to the energy agency the sum of \$2,000,000 for the grants established by section 2. The appropriation shall not cancel but shall remain available until expended.

ARTICLE II

Section 1. [EMERGENCY RESIDENTIAL HEATING GRANTS.] *Subdivision 1. The commissioner of economic security shall make grants to community action agencies, county boards, or other public or private nonprofit agencies for the purpose of providing emergency residential heating grants to low income households. These grants shall be made to the same agencies and in the same manner as provided for federal grants under the energy crisis assistance program of 42 U.S.C.A., Section 2809, Paragraph (a), Clause (5), except as otherwise provided in sections 1 to 5.*

Subd. 2. The commissioner of economic security shall promulgate rules that provide: (a) procedures for the administration of grants; (b) data to be reported by grant recipients and heating fuel suppliers; and (c) other matters the commissioner finds necessary for the proper administration of the state and federal grant programs. The rules may take effect as temporary rules upon approval by the attorney general and without the normal publication in the state register and, 20 day wait for comments from the public, and may be amended in the same manner at a later date if comments from the public demonstrate that amendments are justified.

Subd. 3. Data on individuals collected, maintained, used, or disseminated pursuant to this act are private data on indi-

viduals and shall not be disclosed except as provided for data in the welfare system under Minnesota Statutes, 1979 Supplement, Section 15.1691.

Sec. 2. [ALLOCATIONS.] Money appropriated under section 12, subdivision 1, clauses (a) to (e) shall be allocated among local administrative agencies on the basis of the number of households in the area served by the agency whose income falls within the limits specified in section 3, subdivision 1, in relation to the total of these households in the state.

Sec. 3. [ELIGIBILITY; AMOUNT OF GRANT.] Subdivision 1. [INCOME LIMITS.] Emergency residential heating grants under this section shall be paid only to households not eligible for the federal energy crisis assistance program and whose total household income does not exceed the following limits:

Size of Household	Not More Than
1	\$ 5,100
2	6,750
3	8,400
4	10,050
5	11,700
6	13,350
	(For each additional household member add \$1,650.)

In determining total household income, a household with earned income may deduct from earned income state and federal income taxes and social security contributions. In addition, a household may deduct medical expenses which are not reimbursed by insurance or other sources and which exceed three percent of the household income.

Subd. 2 [AMOUNT OF GRANT.] The amount of a grant under this section, in combination with the special grant paid by the federal government directly to recipients of supplemental security income and money available to the state under the HEW block grant program shall be the least of:

(a) Fifty percent of the cost of residential heating energy paid or reasonably anticipated to be paid by the household during the winter heating season beginning in September and ending in May; or

(b) *The appropriate table of maximum grant amounts as follows:*

(1) *If the maximum grant for fuel oil under the current state plan for the federal energy assistance program, at the highest eligible income level is less than \$600, the following amounts graduated by size of household, income of household, and source of energy:*

Household Size	Household Income		Fuel Oil, Canadian Natural Gas and Propane	Wood and Other Energy Sources
	More Than but	Not More Than		
1		\$ 4,250	\$400	\$267
	\$ 4,250	\$ 4,675	\$283	\$189
	\$ 4,675	\$ 5,100	\$167	\$111
2		\$ 5,625	\$400	\$267
	\$ 5,625	\$ 6,188	\$283	\$189
	\$ 6,188	\$ 6,750	\$167	\$111
3		\$ 7,000	\$400	\$267
	\$ 7,000	\$ 7,700	\$283	\$189
	\$ 7,700	\$ 8,400	\$167	\$111
4		\$ 8,375	\$400	\$267
	\$ 8,375	\$ 9,212	\$283	\$189
	\$ 9,212	\$10,050	\$167	\$111
5		\$ 9,750	\$400	\$267
	\$ 9,750	\$10,725	\$283	\$189
	\$10,725	\$11,700	\$167	\$111
6		\$11,125	\$400	\$267
	\$11,125	\$12,238	\$283	\$189
	\$12,238	\$13,350	\$167	\$111

or

(2) If the maximum grant for fuel oil under the current state plan for the federal energy assistance program, at the highest eligible income level is \$600 or more, the following amounts graduated by size of household, income of household, and source of energy:

Household Size	Household Income		Fuel Oil, Canadian Natural Gas and Propane	Wood and Other Energy Sources
	More Than but	Not More Than		
1		\$ 4,250	\$600	\$400
	\$ 4,250	\$ 4,675	\$425	\$283
	\$ 4,675	\$ 5,100	\$250	\$167
2		\$ 5,625	\$600	\$400
	\$ 5,625	\$ 6,188	\$425	\$283
	\$ 6,188	\$ 6,750	\$250	\$167
3		\$ 7,000	\$600	\$400
	\$ 7,000	\$ 7,700	\$425	\$283
	\$ 7,700	\$ 8,400	\$250	\$167
4		\$ 8,375	\$600	\$400
	\$ 8,375	\$ 9,212	\$425	\$283
	\$ 9,212	\$10,050	\$250	\$167
5		\$ 9,750	\$600	\$400
	\$ 9,750	\$10,725	\$425	\$283
	\$10,725	\$11,700	\$250	\$167
6		\$11,125	\$600	\$400
	\$11,125	\$12,238	\$425	\$283
	\$12,238	\$13,350	\$250	\$167

For households of more than six members, the amount of the grant is scaled downward as income goes upward in the same manner as provided in tables 1 and 2 above.

Grants for recipients who use two or more types of fuel shall be based on the household's primary energy source.

Users of wood as the primary heating source, whether the wood is purchased or not, shall be eligible for assistance under this section.

Grants shall not be considered as income or resources under any other public or publicly assisted income tested program.

Sec. 4. [LEGISLATIVE AUDITOR REPORT.] *The legislative auditor shall submit to the legislature by January 1 of each year an audit report of the department of economic security concerning their administration of the emergency residential heating grant program. This report shall also contain a summary of the audit results of the local agencies involved in the administration of this program.*

These financial and compliance audits of the local agencies shall be initiated, monitored, and approved by the department of economic security. The legislative auditor must approve the selection of the auditors and scope of the audit.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 268.37, is amended to read:

268.37 [COORDINATION OF FEDERAL AND STATE RESIDENTIAL WEATHERIZATION PROGRAMS.] Subdivision 1. The department of economic security is the state agency to apply for, receive, and disburse (FEDERAL) money made available to the state by federal law (OR RULES PROMULGATED THEREUNDER) for the purpose of weatherizing the residences of low-income persons. The commissioner of economic security shall coordinate available federal money with (ANY) state money appropriated for this purpose.

Subd. 2. The commissioner shall make grants of federal and state money to community action agencies and other public or private nonprofit agencies for the purpose of weatherizing the residences of low-income persons. Grant applications shall be submitted in accordance with rules developed pursuant to 42 U.S.C., Sections 6861 to 6872, any other relevant federal weatherization program, and rules promulgated by the commissioner.

Subd. 3. The commissioner shall promulgate temporary rules as necessary to administer the grants program (BY JULY 1, 1979) and shall promulgate permanent rules by July 1, 1980. The rules shall describe: (a) procedures for the administration of grants, (b) data to be reported by grant recipients, and (c)

other matters the commissioner finds necessary for the proper administration of the grant program including compliance with relevant federal regulations. Weatherization assistance shall be given to households where the total income does not exceed 125 percent of the poverty level as updated by the federal office of management and budget poverty guidelines.

Subd. 4. [SUPPLEMENTARY STATE GRANTS.] *The commissioner shall distribute supplementary state grants in a manner consistent with the goal of producing the maximum number of weatherized units feasible. Supplementary state grants are provided primarily for the payment of additional labor costs for the federal weatherization program, and as an incentive for the increased production of weatherized units.*

Criteria for the allocation of state grants to local agencies include: (a) existing local agency production levels, (b) availability of CETA resources in the area, (c) emergency needs, and (d) the potential for maintaining or increasing acceptable levels of production in the area.

An eligible local agency may receive advance funding for 90 days' production, but thereafter shall receive grants solely on the basis of program criteria.

Subd. 5. The commissioner shall submit reports to the legislature by March 1 of each year, (1980, AND MARCH 1, 1981,) evaluating the weatherization program. The reports shall describe: (a) the number of households weatherized, (b) the average cost per household, (c) any change in energy consumption after weatherization, (d) outreach efforts, and (e) any other information the commissioner feels is relevant, including information routinely submitted to the federal government.

Sec. 6. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 15b. It may make grants to assist in energy conservation rehabilitation measures for existing owner occupied housing including, but not limited to: insulation, storm windows and doors, furnace or space heater repair, cleaning or replacement, chimney construction or improvement, weatherstripping and caulking, and structural or other directly related repairs essential for energy conservation. The grant to any household shall not exceed \$2,000.

To be eligible for an emergency conservation grant, a household must be certified as eligible to receive emergency residential heating assistance under either the federal or the state program, and either (1) have had a heating cost for the preceding heating season that exceeded 120 percent of the regional average for the preceding heating season for that energy source as determined by the energy agency, or (2) be eligible to receive a

federal energy conservation grant, but be precluded from receiving the grant because of a need for directly related repairs that cannot be paid for under the federal program. The housing finance agency shall make a reasonable effort to determine whether other state or federal loan and grant programs are available and adequate to finance the intended improvements. An emergency energy conservation grant may be made in conjunction with grants or loans from other state or federal programs that finance other needed rehabilitation work. The receipt of a grant pursuant to this section shall not affect the applicant's eligibility for other housing finance agency loan or grant programs.

Temporary rules to implement this subdivision may be promulgated and amended pursuant to chapter 15. The temporary rules may remain in effect until July 1, 1981.

Sec. 7. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 4g. It may make emergency energy conservation grants as provided in section 9 and may pay the costs and expenses necessary and incidental to the development of the emergency energy conservation grant program.

Sec. 8. [STATE PLAN FOR SPENDING FEDERAL MONEY.] *Subdivision 1. The governor shall submit to the appropriate federal agency a state delivery plan for money the state receives under the Federal Home Energy Assistance Act of 1980, that includes the following elements:*

(a) Those households in which one or more individuals are eligible for (a) aid to families with dependent children, (b) supplemental security income payments, (c) food stamps, or (d) certain veteran's benefits as limited by the Home Energy Assistance Act of 1980 shall be categorically eligible for assistance under the state plan, and procedures for simplified application shall be developed.

(b) Users of wood as a primary heating source, whether the wood is purchased or not, shall be eligible for assistance if otherwise eligible under federal law.

(c) Grants under the state plan may be in the form of a direct payment to an eligible household or as a line of credit to an energy supplier. The plan shall describe the conditions under which direct payment is permitted.

(d) Eligible households that have medically necessary cooling costs, as limited by federal law, shall be eligible for assistance.

(e) *The state plan shall provide that three percent of the federal money shall be set aside for the emergency uses specified in federal law.*

Subd. 2. Before the state plan is submitted to the appropriate federal agency, the governor shall deliver the plan to the appropriate committees of the legislature for review and comment. Thereafter, the governor shall notify the committees of any changes made in the plan.

Sec. 9. [APPROPRIATIONS.] *Subdivision 1. The sum of \$20,000,000 is appropriated from the general fund to the commissioner of economic security for the purposes specified in this subdivision, to be available for the fiscal year ending June 30 in the year indicated.*

1980 1981

(a) *For the purposes specified in Section 1. \$5,000,000*

Any unencumbered balance remaining in the first year does not cancel, but is available for the second year of the biennium for the purposes specified in clause (c)

(b) *For emergency residential heating assistance \$6,000,000*

(1) *If for any reason, federal money is not available, this appropriation may be used for grants to be made pursuant to the current state plan.*

(2) *If federal money is available to pay energy grants to persons eligible under section 1, up to \$5,000,000 of the money appropriated in clause (c) is available for any state matching requirement required by a federal energy assistance program.*

(3) *If a household's income does not exceed 168 percent of office of management and budget nonfarm poverty guidelines and the household is not eligible for assistance under the federal program for fiscal year 1981, the money appropriated in clauses (b) and (c) is available for grants in the same manner, and form as is specified in the state plan for the fed-*

eral energy assistance program for fiscal year 1981.

(c) If grants are paid from the appropriation of state money in clauses (b) and (c) to persons eligible to receive grants for the same purpose from federal money, the appropriations shall be reimbursed for those grants from federal money when the federal money becomes available if reimbursement is permitted under federal law.

(d) Local administrative agencies may retain up to five percent of the appropriations in clauses (a), (b), and (c) for administrative costs. The state administrative agency may retain up to two percent of the appropriation for administrative costs.

(e) Weatherization of residences pursuant to section 5 to be available until June 30, 1981. Local administrative agencies may retain up to 7-1/2 percent of the appropriation in clause (e) for administrative costs. The state administrative agency may retain up to two percent of the appropriation in clause (e) for administrative costs. \$9,000,000

Subd. 2. The sum of \$4,000,000 is appropriated from the general fund to the housing development fund created by Section 462A.20, for the purpose of the emergency energy conservation grant program specified in sections 6 and 7, and for the payment of related costs and expenses. The complement of the housing finance agency is increased by two positions.

Subd. 3. The sum of \$1,000,000 is appropriated from the general fund to the commissioner of public welfare to reimburse counties for the county portion of expenses incurred by them in providing residential heating assistance under the emergency assistance and special needs allowance programs during fiscal years 1980 and 1981. No county match is required for this money.

ARTICLE III

Section 1. Minnesota Statutes, 1979 Supplement, Section 116H.02, Subdivision 5, is amended to read:

Subd. 5. "Large energy facility" means:

(a) Any electric power generating plant or combination of plants at a single site with a combined capacity of 50,000 kilowatts or more, or any facility of 5,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been applied for by May 19, 1977 pursuant to Minn. Reg. APC 3(a);

(b) Any high voltage transmission line with a capacity of 200 kilovolts or more and with more than 50 miles of its length in Minnesota; or, any high voltage transmission line with a capacity of 300 kilovolts or more with more than 25 miles of its length in Minnesota;

(c) Any facility on a single site designed for or capable of storing more than one million gallons of crude petroleum or petroleum fuels or oil or their derivatives, unless the facility would be at an existing petroleum storage site and would constitute an increase of less than 20 percent in the storage capacity at that site;

(d) Any pipeline greater than six inches in diameter and having more than 50 miles of its length in Minnesota used for the transportation of coal, crude petroleum or petroleum fuels or oil or their derivatives;

(e) Any pipeline for transporting natural or synthetic gas at pressures in excess of 200 pounds per square inch with more than 50 miles of its length in Minnesota;

(f) Any facility designed for or capable of storing on a single site more than 100,000 gallons of liquified natural gas or synthetic gas;

(g) Any underground gas storage facility requiring permit pursuant to section 84.57;

(h) Any facility designed or capable of transferring more than 300 tons of coal per hour or with an annual throughput of more than 500,000 tons of coal from one mode of transportation to a similar or different mode of transportation;

(i) Any facility designed for or capable of storing more than (7,500) 75,000 tons of coal or with an annual throughput of more than 125,000 tons of coal;

(j) Any petroleum refinery;

(k) Any nuclear fuel processing or nuclear waste storage or disposal facility; and

(l) Any facility intended to convert any material into any other combustible fuel and having the capacity to process in excess of 25 tons of the material per hour.

Sec. 2. Minnesota Statutes 1978, Section 116H.087, is amended to read:

116H.087 [ENERGY CONSERVATION PUBLICITY.] The director of the energy agency in consultation with (THE DIRECTOR OF THE HOUSING FINANCE AGENCY) *other affected agencies or departments* shall develop *informational materials*, pamphlets and radio and television messages on (THE) energy conservation and housing programs available in Minnesota, *renewable energy resources, and energy supply and demand*. The (PAMPHLETS) *printed and broadcast materials* shall include information on available tax credits for residential energy conservation measures, residential retrofitting loan and grant programs, and data on the economics of energy conservation and *renewable resource* measures. (BEFORE THE PAMPHLETS OR MEDIA MESSAGES ARE RELEASED FOR GENERAL DISTRIBUTION THEY) *Copies of printed materials* shall be (REVIEWED BY) *distributed to members of the appropriate standing committees of the legislature.*

Sec. 3. Minnesota Statutes 1978, Section 116H.12, Subdivision 11, is amended to read:

Subd. 11. Beginning January 1, 1979, no new residential

- (a) forced air type central furnace,
- (b) cooking appliance manufactured with an electrical supply cord, or
- (c) clothes drying equipment

designed to burn natural gas equipped with a continuously burning pilot shall be sold or installed in Minnesota. *This subdivision shall not apply to forced air type furnaces designed for installation in mobile homes.*

Sec. 4. Minnesota Statutes 1978, Section 275.50, is amended by adding a subdivision to read:

Subd. 7. *The cost to a governmental subdivision of implementing certain energy related activities is a "special levy" and is not subject to tax levy limitations contained in sections 275.50 to 275.56. Activities which may be financed pursuant to this subdivision are the administrative costs of energy planning, energy committees and energy conservation programs; the costs of making grants for energy conservation and renewable energy resource demonstrations; and the costs of energy conservation measures installed in buildings owned by the governmental subdivision which are indicated in a maxi-audit as defined in section 116H.02. No more than one mill on each dollar of the assessed valuation of taxable property in the governmental sub-*

division may be levied by each governmental subdivision for this purpose.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 116H.22, is amended to read:

116H.22 [FUNDS FOR SCHOOLS AND GOVERNING BODIES.] Funds to pay part or all of the actual costs of *mini-audits*, *maxi-audits* and energy conservation measures performed by or for schools and governing bodies shall be available from legislative appropriations made for that purpose in accordance with the priorities established in section 116H.23. *Funds appropriated pursuant to this section shall be available to school districts and local governmental units which submitted acceptable mini-audits or maxi-audits after April 9, 1976 and prior to July 1, 1979.*

Sec. 6. [AVAILABILITY OF MATCHING FUNDS; POSITIONS.] *Money appropriated by Extra Session Laws 1979, Chapter 2, Section 45, Subdivision 2, Clause (i) shall be available for use in matching federal, local or private money for district heating systems when the federal or local government or private sources, or a combination thereof, issues a letter of intent to finance the project at the rate of \$3 for each \$1 of state money. Positions authorized by Extra Session Laws 1979, Chapter 2, Section 45, Subdivision 2, may be in the classified or unclassified service.*

Sec. 7. [RENEWABLE ENERGY RESOURCE RESEARCH AND DEVELOPMENT GRANTS.] *The Minnesota energy agency may make grants to implement research projects and demonstrations of the use of wind and wood or agricultural residues. The director of the agency shall make grants to projects which will further the development of renewable energy technologies which utilize Minnesota energy resources. Funds shall be released to successful applicants pursuant to this section by the commissioner of finance when the federal government, a local government, private sources or a combination thereof issues a letter of intent to finance the project. State funding shall not exceed a maximum of one-third of the total cost of any project.*

Funds shall be appropriated to the Minnesota energy agency for the year beginning July 1, 1980, for research on the potential of using Minnesota wetlands for plant biomass production for energy. A report of this research shall be presented to the appropriate standing committee of the legislature by March 1, 1982.

Sec. 8. [ENERGY EFFICIENT BUILDING EDUCATION.] *The energy agency shall develop a program to provide information and training to contractors, engineers and architects on techniques and standards for the design and construction of buildings which maximize energy efficiency. The program may*

include the production of printed materials and the development of training courses.

Sec. 9. [ENERGY AUDITS.] *The energy agency and the consumer services division of the department of commerce shall develop a state plan for and carry out the state's responsibilities under a federally-mandated program of energy audits of residential and commercial buildings. The program shall be operated in compliance with standards established pursuant to Title 42 United States Code 8211.*

Sec. 10. [ETHANOL PLANT DEMONSTRATION.] *The University of Minnesota shall construct and operate a small scale plant for the production of ethanol. The plant shall produce ethanol from more than one resource. The plant shall operate for at least two years and shall be instrumented and monitored. The university shall determine the feasibility of utilization of byproducts produced by the plant. The plant shall be designed for easy replication by farmers. The university shall develop and print easily understandable plans and blueprints which demonstrate the construction of a small scale ethanol plant. The plans and blueprints shall be available at no cost from the agricultural extension service.*

Sec. 11. Minnesota Statutes 1979 Supplement, Section 116H.-085, is amended to read:

116H.085 [ENERGY INFORMATION CENTER.] *The director shall establish an energy (CONSERVATION) information center in the agency's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and (THE) alternative sources of energy.*

The energy information center shall serve as the official Minnesota alcohol fuels information center and shall disseminate information, printed, by the toll-free telephone information service, or otherwise on the applicability and technology of alcohol fuels.

The information center shall include information on the potential hazards of energy conservation techniques and improvements in the printed materials disseminated. The agency shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

Sec. 12. [APPROPRIATIONS.] Subdivision 1. The sum of \$2,115,000 is appropriated from the general fund to the agencies and for the purposes indicated in this section, to be available until June 30, 1981, except as otherwise provided in this section. Approved complement positions may be in the classified or unclassified service and shall be for the balance of the biennium ending June 30, 1981 only.

Subd. 2. To the Minnesota energy agency:

(a) Expansion of the energy conservation information center established pursuant to Minnesota Statutes, Section 116H.085 \$123,000

Approved complement

(b) Energy conservation publicity pursuant to section 2 \$230,000

Approved complement

(c) Continued operation of fuel allocation program \$182,000

Approved complement — 8

(d) Energy supply emergency plan development \$ 60,000

Approved complement

(e) Renewable energy resource research and development grants pursuant to section 8 \$350,000

(f) Wetlands for the plant biomass research pursuant to section 8 \$250,000

(g) Energy efficient building education pursuant to section 9 \$ 70,000

Approved complement

(h) Development of energy audit program for residential and commercial buildings pursuant to section 10 \$ 70,000

Approved complement

The approved complement for this subdivision is 12.

The appropriation in this subdivision is reduced by \$150,000.

Subd. 3. To the department of natural resources for developing and implementing a fuelwood management program to increase the availability of fuelwood on public and private lands by the application of sound forest management techniques including timber stand improvements and utilization of wood residues resulting from timber harvesting and site conversion. \$400,000

Notwithstanding any law to the contrary the department may make contracts for professional, technical or consulting services to implement this program.

Approved complement — 1.

Subd. 4. To the University of Minnesota for construction and operation of small scale ethanol plant and production of plans and blueprints pursuant to section 11 \$300,000

Subd. 5. To the department of administration for the purchase of 20 commuter vans for use in the state employee commuter van program established pursuant to Minnesota Statutes, Section 16.756 \$200,000

Subd. 6. To the department of commerce for development of energy audit program for commercial and residential buildings \$ 30,000

Approved complement — 1.

Subd. 7. The sum of \$150,000 is appropriated from the general fund to the Minnesota housing finance agency for the purpose of subsidizing the loan origination fee on a rehabilitation loan of \$2,000 or less if the loan is made in accordance with Minnesota Statutes, Section 462A.05, Subdivision 14, to enable the recipient to accomplish energy conservation related improvements. The appropriation in this section may be used only to subsidize that part of a loan origination fee which is equal to the difference between the origination fee for the loan and two percent of the face value of the loan. The appropriation shall be available until expended.

Before January 15, 1981, the Minnesota housing finance agency shall report to the legislature on the effectiveness of the loan origination fee subsidization program financed pursuant to section 1.

Sec. 13. [REPEALER.] *Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2, are repealed.*

ARTICLE IV

Section 1. [216B.241] [ENERGY CONSERVATION IMPROVEMENTS.] *Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision shall have the meanings given them:*

(a) "Commission" means the public service commission, department of public service;

(b) "Energy conservation improvement" means the purchase or installation of any device, method or material that increases the efficiency in the residential use of electricity or natural gas including, but not limited to:

- (1) insulation and ventilation;
- (2) storm or thermal doors or windows;
- (3) caulking and weatherstripping;
- (4) furnace efficiency modifications;
- (5) thermostat or lighting controls;
- (6) awnings; or

(7) systems to turn off or vary the delivery of energy. The term "energy conservation improvement" does not include any device or method which creates, converts or actively uses energy from renewable sources such as solar, wind and biomass.

(c) "Investments and expenses of a public utility" includes the investments and expenses incurred by a public utility in connection with an energy conservation improvement including, but not limited to:

(1) the differential in interest cost between the market rate and the rate charged on a no interest or below market interest loan made by a public utility to a customer for the purchase or installation of an energy conservation improvement;

(2) the difference between the utility's cost of purchase or installation of energy conservation improvements and any price charged by a public utility to a customer for such improvements.

(d) "Public utility" has the same meaning as given that term in section 216B.02, subdivision 4. For the purposes of this section, "public utility" shall not include cooperative electric associations that become subject to rate regulation after the effective date of this act.

Subd. 2. [PROGRAMS.] Prior to January 1, 1981, the commission, after consultation with the energy agency, shall initiate a pilot program designed to demonstrate the feasibility of investments and expenses of a public utility in energy conservation improvements. The commission, as part of the pilot program, shall order at least one public utility to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements shall be offered to the customers. The commission shall not order a utility to make any energy conservation improvement investment or expenditure unless it first finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. Investments and expenditures made pursuant to such orders shall be treated for ratemaking purposes in the manner prescribed in section 2 of this act. No utility shall make an energy conservation improvement pursuant to this section to a residential building envelope unless it is the primary supplier of energy used for either space heating or cooling in the building.

Subd. 3. [OWNERSHIP OF RESIDENTIAL ENERGY CONSERVATION IMPROVEMENTS.] Any energy conservation improvement made to or installed in any residential building pursuant to this section shall be the exclusive property of the owner of said building except insofar as it is subjected to a security interest in favor of the utility in case of a loan to the building owner. The utility shall have no liability for loss, damage or injury caused directly or indirectly by any energy conservation improvement except for negligence by the utility in purchase, installation, or modification of the product.

Subd. 4. [FEDERAL LAW PROHIBITIONS.] If investments by public utilities in energy conservation improvements are in any manner prohibited or restricted by federal law and there is a provision under which such prohibition or restriction may be waived, then the commission, the governor, or any other necessary state agency or officer shall take all necessary and appropriate steps to secure such waiver with respect to those public utility investments in energy conservation improvements included in this section.

Sec. 2. Minnesota Statutes 1978, Section 216B.16, is amended by adding a subdivision to read:

Subd. 6b. All investments and expenses of a public utility incurred in connection with energy conservation improvements as defined in section 1, subdivision (1)(c) shall be recognized and included by the commission in the determination of just and reasonable rates as if the investments and expenses were directly made or incurred by the utility in furnishing utility service.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivision 3, is amended to read:

Subd. 3. No proposed large energy facility shall be certified for construction unless the applicant has justified its need. In assessing need, the director shall evaluate:

(1) The accuracy of the long range energy demand forecasts on which the necessity for the facility is based;

(2) The effect of existing or possible energy conservation programs under sections 116H.01 to 116H.15 or other federal or state legislation on long term energy demand;

(3) The relationship of the proposed facility to overall state energy needs, such as are described in the most recent state energy policy and conservation report prepared pursuant to section 116H.11;

(4) Promotional activities which may have given rise to the demand for this facility;

(5) Socially beneficial uses of the output of this facility, including its uses to protect or enhance environmental quality;

(6) The effects of the facility in inducing future development;

(7) Possible alternatives for satisfying the energy demand including but not limited to potential for increased efficiency of existing energy generation facilities;

(8) The policies, rules and regulations of other state and federal agencies and local governments (.); and

(9) *Any feasible combination of energy conservation improvements, required by the public service commission pursuant to section 1, that can (1) replace part or all of the energy to be provided by the proposed facility, and (2) compete with it economically."*

Further, delete the title and insert:

"A bill for an act relating to energy; stating legislative energy policy; providing grants and assistance for community energy planning; assessment of fees for residential energy audits; providing grants for residential heating costs and weatherization; providing guidelines for a state plan for spending federal money; reimbursing counties for heating emergency assistance expenses; defining large energy facilities; authorizing subdivisions to levy for certain energy related activities; providing grants for energy research and development projects; providing education on

building energy efficiency; energy audits; ethanol plant demonstration project; creating the alcohol fuels information center; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 116H.01; 116H.087; 116H.12, Subdivision 11; 216B.16, by adding a subdivision; 275.50, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.02, Subdivision 5; 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.-986, Subdivisions 1 and 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 733, 1612, 1841, 251, 262, 1443, 1763, 1662 and 1710 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 654 and 975 were read for the second time.

SPECIAL ORDERS

Norman was excused for the remainder of today's session.

H. F. No. 1768 was reported to the House.

Johnson, C., moved to amend H. F. No. 1768 as follows:

Page 2, line 13, delete everything after the period

Page 2, delete lines 14 to 16 and insert: "*Except in the case of fences bordering on state lands and partition fences between lands in two governmental units whose governing bodies have adopted differing policies, if a governing body adopts a policy regarding partition fences, the provisions of chapter 344 shall not apply within that governing body's jurisdiction. Chapter 344 shall apply in all other governmental units.*"

The motion prevailed and the amendment was adopted.

H. F. No. 1768, 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 1978, Section 344.03, Subdivision 1; and Chapter 344, by adding sections.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 91 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kostohryz	Nelsen, M.	Searle
Adams	Faricy	Kroening	Nelson	Searles
Anderson, B.	Fjoslien	Laidig	Novak	Sherwood
Anderson, R.	Forsythe	Lehto	Olsen	Sieben, H.
Battaglia	Fudro	Levi	Osthoff	Sieben, M.
Begich	Greenfield	Long	Otis	Simoneau
Berglin	Heap	Ludeman	Patton	Stoa
Biersdorf	Heinitz	Luknic	Pehler	Swanson
Blatz	Hokanson	Mann	Peterson, B.	Tomlinson
Brinkman	Jacobs	McCarron	Peterson, D.	Vanasek
Byrne	Jaros	McDonald	Piepho	Voss
Carlson, L.	Jennings	McEachern	Reding	Welch
Casserly	Johnson, C.	Mehrkens	Rees	Wigley
Clark	Jude	Metzen	Reif	Wynia
Clawson	Kahn	Minne	Rice	Spkr. Norton
Corbid	Kalis	Moe	Rodriguez	
Drew	Kelly	Munger	Rose	
Eloff	Kempe	Murphy	Rothenberg	
Ellingson	Knickerbocker	Nelsen, B.	Schreiber	

Those who voted in the negative were:

Ainley	Dean	Fritz	Nysether	Thiede
Albrecht	Dempsey	Halberg	Onnen	Valan
Anderson, D.	Den Ouden	Haukoos	Pleasant	Valento
Anderson, G.	Eken	Hoberg	Prahl	Weaver
Anderson, I.	Erickson	Johnson, D.	Redalen	Welker
Berkelman	Esau	Kaley	Stadum	Wenzel
Carlson, D.	Evans	Kvam	Stowell	Wieser
Crandall	Friedrich	Niehaus	Sviggum	

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

S. F. No. 1797, A bill for an act relating to the Minnesota zoological garden; supplementing and clarifying the authority of the zoological garden board in regard to penalties for rule violations; regulating the use of the name or mark of the garden; providing penalties; amending Minnesota Statutes 1978, Section 85A.02, Subdivision 7; and Chapter 333, by adding sections.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Adams	Eken	Kahn	Nelson	Sherwood
Albrecht	Elioff	Kaley	Niehaus	Sieben, H.
Anderson, B.	Ellingson	Kalis	Novak	Sieben, M.
Anderson, D.	Erickson	Kelly	Nysether	Simoneau
Anderson, G.	Esau	Kempe	Olsen	Stadum
Anderson, I.	Evans	Knickerbocker	Onnen	Stoa
Anderson, R.	Ewald	Kostohryz	Osthoff	Stowell
Battaglia	Faricy	Kroening	Otis	Sviggum
Begich	Fjoslien	Kvam	Pehler	Swanson
Berglin	Forsythe	Laidig	Peterson, B.	Thiede
Berkelman	Friedrich	Lehto	Peterson, D.	Tomlinson
Biersdorf	Fudro	Levi	Piepho	Valan
Blatz	Greenfield	Long	Pleasant	Valento
Brinkman	Halberg	Luknic	Prahl	Vanasek
Byrne	Haukoos	Mann	Reding	Voss
Carlson, D.	Heap	McDonald	Rees	Weaver
Carlson, L.	Heinitz	McEachern	Reif	Welch
Casserly	Hoberg	Mehrkens	Rice	Welker
Clark	Hokanson	Metzen	Rodriguez	Wenzel
Clawson	Jacobs	Minne	Rose	Wieser
Corbid	Jaros	Moe	Rothenberg	Wigley
Crandall	Jennings	Munger	Sarna	Wynia
Dean	Johnson, C.	Murphy	Schreiber	Zubay
Dempsey	Johnson, D.	Nelsen, B.	Searle	Spkr. Norton
Drew	Jude	Nelsen, M.	Searles	

Those who voted in the negative were:

Aasness	Den Ouden	Ludeman	Patton	Redalen
Ainley	Fritz	McCarron		

The bill was passed and its title agreed to.

H. F. No. 2237 was reported to the House.

Murphy moved that H. F. No. 2237 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 1818, A bill for an act relating to game and fish; authorizing moose seasons in the discretion of the commissioner; granting preference to landowners in obtaining moose licenses; amending Minnesota Statutes 1978, Section 100.27, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 100.271, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 126 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Novak	Sieben, M.
Adams	Eken	Kaley	Nysether	Simoneau
Ainley	Elioff	Kalis	Olsen	Stadum
Albrecht	Ellingson	Kelly	Onnen	Stoa
Anderson, B.	Erickson	Knickerbocker	Otis	Stowell
Anderson, D.	Esau	Kostohryz	Patton	Sviggum
Anderson, G.	Evans	Kroening	Pehler	Swanson
Anderson, I.	Ewald	Kvam	Peterson, B.	Thiede
Anderson, R.	Faricy	Laidig	Peterson, D.	Tomlinson
Battaglia	Fjoslien	Lehto	Piepho	Valan
Begich	Forsythe	Levi	Pleasant	Valento
Berglin	Friedrich	Long	Prahl	Vanasek
Berkelman	Fudro	Ludeman	Redalen	Voss
Biersdorf	Greenfield	Luknic	Reding	Weaver
Blatz	Halberg	Mann	Rees	Welch
Brinkman	Haukoos	McDonald	Reif	Welker
Byrne	Heap	McEachern	Rice	Wenzel
Carlson, D.	Heinritz	Mehrkens	Rodriguez	Wieser
Carlson, L.	Hoberg	Metzen	Rose	Wigley
Clark	Hokanson	Minne	Rothenberg	Wynia
Clawson	Jacobs	Munger	Sarna	Zubay
Corbid	Jaros	Murphy	Schreiber	Spkr. Norton
Crandall	Jennings	Nelsen, B.	Searle	
Dean	Johnson, C.	Nelsen, M.	Searles	
Dempsey	Johnson, D.	Nelson	Sherwood	
Den Ouden	Jude	Niehaus	Sieben, H.	

Those who voted in the negative were:

Fritz	Kempe	McCarron	Moe	Osthoff
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The bill was passed and its title agreed to.

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

MOTIONS AND RESOLUTIONS

Brinkman moved that the names of Kvam and Onnen be added as authors on H. F. No. 2430. The motion prevailed.

Sieben, H., moved that H. F. No. 2105 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

Carlson, D., moved that H. F. No. 1850 be returned to its author. The motion prevailed.

House Resolution No. 34 was reported to the House.

HOUSE RESOLUTION NO. 34

A house resolution relating to Handicapped Awareness Week.

Whereas, many disabled Minnesotans are prevented from living independently and fully participating in their communities due to physical, programmatic, social, attitudinal and recreational barriers; and,

Whereas, a significant effort must be made throughout Minnesota to eliminate barriers to employment, housing, transportation, education, public services and public accommodations; and,

Whereas, lawmakers, law enforcement officials, other professionals and the general public need public education programs examining accessibility problems which people with disabilities confront in their daily life activities; and,

Whereas, the examination and demonstration of aids to the handicapped such as walkers, crutches, hearing aids, wheelchairs and electric larynx serve an important function in educating the public and the handicapped communities as to some of the aids available to the handicapped person, and that the attitudes towards the handicapped and demonstration of these aids help for a better understanding of the problems associated with the handicapped; *Now, Therefore*,

Be It Resolved by the House of Representatives of the State of Minnesota:

(1) The week of May 18-24, 1980, is proclaimed to be Handicapped Awareness Week.

(2) The Minnesota State Council for the Handicapped and the St. Cloud Area Council for the Handicapped are commended for making Minnesota more open and attentive to the needs of her handicapped citizens.

(3) The Chief Clerk of the House of Representatives is directed to prepare enrolled copies of this resolution and deliver them to the Minnesota State Council for the Handicapped and the St. Cloud Area Council for the Handicapped.

Pehler moved that House Resolution No. 34 be now adopted. The motion prevailed and the resolution was adopted.

Niehaus introduced:

House Resolution No. 44, A house resolution relating to extending congratulations to the Albany Huskies, the Minnesota State High School Girls' Basketball Class A Champions.

The resolution was referred to the Committee on Rules and Legislative Administration.

Wenzel introduced:

House Resolution No. 45, A house resolution congratulating the Little Falls Community High School Flyers girls' basketball team on winning the Class AA state high school girls' basketball tournament championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Anderson, R., introduced:

House Resolution No. 46, A house resolution relating to extending congratulations to New York Mills Senior High School on winning third place in the Class A state high school girls' basketball tournament.

The resolution was referred to the Committee on Rules and Legislative Administration.

Dempsey introduced:

House Resolution No. 47, A house resolution relating to extending congratulations and wishes for good sailing to Steve Somsen for participating in the Hawaii to Tahiti sailing voyage of the Polynesian Voyaging Society.

The resolution was referred to the Committee on Rules and Legislative Administration.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 10:30 a.m., Tuesday, March 25, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:30 a.m., Tuesday, March 25, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

EIGHTY-SIXTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 25, 1980

The House of Representatives convened at 10:30 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kahn	Nelson	Searles
Adams	Eken	Kaley	Niehaus	Sherwood
Ainley	Elioff	Kalis	Norman	Sieben, H.
Albrecht	Ellingson	Kelly	Novak	Sieben, M.
Anderson, B.	Erickson	Kempe	Nysether	Simoneau
Anderson, D.	Esau	Knickerbocker	Olsen	Stadum
Anderson, G.	Evans	Kostohryz	Onnen	Stoa
Anderson, I.	Ewald	Kroening	Osthoff	Stowell
Anderson, R.	Faricy	Kvam	Otis	Sviggum
Battaglia	Fjoslien	Laidig	Patton	Swanson
Begich	Forsythe	Lehto	Pehler	Thiede
Berglin	Friedrich	Levi	Peterson, B.	Tomlinson
Berkelman	Fritz	Long	Peterson, D.	Valan
Biersdorf	Fudro	Ludeman	Piepho	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Halberg	Mann	Prahl	Voss
Byrne	Haukoos	McCarron	Redalen	Waldorf
Carlson, D.	Heap	McDonald	Reding	Weaver
Carlson, L.	Heinitz	McEachern	Rees	Welch
Casserly	Hoberg	Mehrkens	Reif	Welker
Clark	Hokanson	Metzen	Rice	Wenzel
Clawson	Jacobs	Minne	Rodriguez	Wieser
Corbid	Jaros	Moe	Rose	Wigley
Crandall	Jennings	Munger	Rothenberg	Wynia
Dean	Johnson, C.	Murphy	Sarna	Zubay
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Den Ouden	Jude	Nelsen, M.	Searle	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Peterson, B., moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 2458, 733, 1047, 1841, 2436, 1763, 1612, 251, 262, 1662, 1710, 1443 and 1768 and S. F. Nos. 1997, 2136, 2183, 336, 2071, 2074, 2134, 1801, 1832, 1865, 2264, 2265, 870, 1690, 1931, 2042, 2184, 1648, 1749, 1853, 251, 1255, 1649, 1826, 1867, 2193, 2062, 2117, 1601, 1803, 2195, 630, 1794, 507, 654 and 975 have been placed in the members' files.

S. F. No. 2195 and H. F. No. 2206, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Sieben, M., moved that S. F. No. 2195 be substituted for H. F. No. 2206 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1749 and H. F. No. 1810, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Ellingson moved that S. F. No. 1749 be substituted for H. F. No. 1810 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1649 and H. F. No. 1649, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Welch moved that the rules be so far suspended that S. F. No. 1649 be substituted for H. F. No. 1649 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2117 and H. F. No. 2356, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Johnson, D., moved that the rules be so far suspended that S. F. No. 2117 be substituted for H. F. No. 2356 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 251 and H. F. No. 2273, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Albrecht moved that the rules be so far suspended that S. F. No. 251 be substituted for H. F. No. 2273 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2183 and H. F. No. 2230, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Reding moved that the rules be so far suspended that S. F. No. 2183 be substituted for H. F. No. 2230 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1997 and H. F. No. 2022, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Reding moved that the rules be so far suspended that S. F. No. 1997 be substituted for H. F. No. 2022 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1853 and H. F. No. 2404, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jacobs moved that the rules be so far suspended that S. F. No. 1853 be substituted for H. F. No. 2404 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2062 and H. F. No. 2101, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Adams moved that the rules be so far suspended that S. F. No. 2062 be substituted for H. F. No. 2101 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 630 and H. F. No. 615, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Patton moved that the rules be so far suspended that S. F. No. 630 be substituted for H. F. No. 615 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2184 and H. F. No. 2303, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Long moved that the rules be so far suspended that S. F. No. 2184 be substituted for H. F. No. 2303 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2193 and H. F. No. 2297, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Rees moved that the rules be so far suspended that S. F. No. 2193 be substituted for H. F. No. 2297 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1690 and H. F. No. 2086, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Elioff moved that the rules be so far suspended that S. F. No. 1690 be substituted for H. F. No. 2086 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2071 and H. F. No. 2286, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Ellingson moved that the rules be so far suspended that S. F. No. 2071 be substituted for H. F. No. 2286 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2265 and H. F. No. 2134, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Peterson, B., moved that the rules be so far suspended that S. F. No. 2265 be substituted for H. F. No. 2134 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 2195, 2071, 1749, 1690, 251, 1649, 2117, 2183, 2184, 630, 1997, 2193, 2062, 1853 and 2265 were read for the second time.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House File was introduced:

Jude, Wenzel, Kroening and Rose introduced:

H. F. No. 2478, A resolution memorializing Congress to pass H. R. 1918, a Service Pension for veterans of World War I and their surviving spouses.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1834, A bill for an act relating to education; adding the commissioner of agriculture to the equalization aid review committee; amending Minnesota Statutes 1978, Section 124.212, Subdivision 10.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1207, A bill for an act relating to motor vehicles; excluding owners of certain trailers from the requirement to furnish evidence of security; amending Minnesota Statutes 1978, Section 65B.68, Subdivision 2.

H. F. No. 2028, A bill for an act relating to state governments; clarifying benefits of employees of former Hastings state hospital.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1090, A bill for an act relating to education; authorizing the state boards for community colleges and for vocational education to contract for certain insurance coverage for students; amending Minnesota Statutes 1978, Sections 136.62, by adding a subdivision; and 121.21, by adding a subdivision.

H. F. No. 2024, A bill for an act relating to the city of Hibbing; authorizing development and administration of a housing program within the city, including that part of the city which formerly comprised the town of Stuntz.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1408, A bill for an act relating to motor vehicles; providing for the proration of taxes on certain vehicles on the basis of the registration period; providing for the issuance and use of certain motor vehicle dealer plates; adjusting the bond provisions for certain dealers; authorizing dealers' licenses for the sale of motorized bicycles; specifying grounds for suspension and revocation of dealers' licenses; amending Minnesota Statutes 1978, Sections 168.013, Subdivision 2; and 168.27, Subdivisions 2, 12, 20, 22 and 24.

H. F. No. 2047, A bill for an act relating to state government; raising the limit on the balance allowed to remain in the state auditor's revolving fund; empowering the state auditor to establish a personnel recruitment, hiring, promotional, and salary plan with the approval of the commissioner of the department of personnel; amending Minnesota Statutes 1978, Section 6.58; and Chapter 6, by adding a section.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 1121, A bill for an act relating to taxation; updating the definition of gross income for income tax purposes for individuals, trusts and estates with certain modifications; providing for exempt-interest dividends for certain mutual funds; extending the political contribution credit to congressional and local candidates; clarifying certain definitions; providing a tax credit for energy conservation expenditures; clarifying the renewable energy source credit; increasing the dependent care credit; extending investment tax credits to family corporations; making certain changes in the minimum tax and in the treatment of small business corporations; allowing a ten year carry-back of product liability losses; providing for deferral of certain gains recognized in the disposition of broadcasting property; reducing certain property tax classification ratios; increasing homestead credits; changing the property tax status of certain mobile homes; providing for delayed assessments for certain improvements; increasing homestead base value; providing a classification for neighborhood real estate trusts; adjusting levy limits and providing for certain special levies; providing for certain hearings and appeals on special assessments; clarifying property tax settlements; clarifying certain property tax refund filing due dates; extending eligibility for property tax refunds to certain claimants; providing for adjustment of property tax refunds due to abatements; providing state reimbursement for certain property; authorizing heat applied tax stamping machines; increasing the sales tax on retail sales from vending machines; providing a sales tax exemption for certain arts admissions; fixing maximum interest rates on public obligations; excepting certain debt obligations from public sale requirement; appropriating money; amending Minnesota Statutes 1978, Sections 124.212, Subdivision 2; 168.012, Subdivision 9; 273.13, Subdivisions 3 and 17b, and by adding a subdivision; 275.51, by adding a subdivision; 275.52, Subdivisions 2 and 5; 276.04; 276.09; 276.10; 276.11; 290.01, by adding a subdivision; 290.09, Subdivisions 2, 24 and 28; 290.095, by adding a subdivision; 290.13, by adding a subdivision; 290.26, Subdivision 2; 290.49, Subdivision 10; 290.971, Subdivisions 1, 3 and 6; 290.972, Subdivisions 1, 3 and 5; 290A.06; 290A.11, by adding a subdivision; 290A.17; 290A.18; 290A.19; 297.03, Subdivision 6; 297A.02; 297A.25, Subdivision 1; 375.192, Subdivision 1; 429.061, Subdivisions 1 and 2; 429.081; 474.06; 475.55; 475.60, Subdivision 2; Chapters 273, by adding sections; and 298, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 273.122; 273.13, Subdivisions 4, 5a, 6, 7, 14a and 19; 275.50, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 11 and 14; 290.067, Subdivisions 1 and 2; 290.09, Subdivision 3; 290.091; 290.095, Subdivision 1; 290.14; 290.17, Subdivision 1; 290.37, Subdivision 1; 290A.03, Subdivision 3; repealing Minnesota Statutes 1978, Section 290.971, Subdivision 5; and Minnesota Statutes, 1979 Supplement, Section 290.23, Subdivision 16.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sieben, H., moved that the House refuse to concur in the Senate amendments to H. F. No. 1121, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1169, A bill for an act relating to census taking; providing for the taking of special censuses by the United States bureau of the census rather than the secretary of state; providing for the approval of school district population estimates by the state demographer; providing for annual population estimates of governmental subdivisions by the state demographer and their use in the computation of tax levy limits and local government aid; abolishing the authority of the municipal board to determine the population of municipalities and towns; amending Minnesota Statutes 1978, Sections 4.12, Subdivision 7; 275.14; 275.45; 275.53; 414.01, Subdivision 14; 477A.01, Subdivision 4; and Chapter 477A, by adding a section; repealing Minnesota Statutes 1978, Sections 365.61; and 414.033, Subdivision 8.

PATRICK E. FLAHAVEN, Secretary of the Senate

Weaver moved that the House refuse to concur in the Senate amendments to H. F. No. 1169, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1732, A bill for an act relating to motor vehicle carriers; defining courier services carrier; providing the procedures for granting permits to courier services carriers; excluding courier service carriers from the term regular route common carrier; amending Minnesota Statutes 1978, Sections 221.011, Subdivision 9, and by adding a subdivision; and 221.121, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Novak moved that the House concur in the Senate amendments to H. F. No. 1732 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1732, A bill for an act relating to motor vehicle carriers; defining courier services carrier; providing the procedures for granting permits to courier services carriers; excluding courier service carriers from the term regular route common carrier; amending Minnesota Statutes 1978, Sections 221.011, Subdivision 9, and by adding a subdivision; and 221.121, by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kalis	Niehaus	Sieben, M.
Adams	Ellingson	Kelly	Novak	Simoneau
Ainley	Erickson	Kempe	Nysether	Stadum
Albrecht	Esau	Knickerbocker	Olsen	Stoa
Anderson, B.	Evans	Kostohryz	Onnen	Stowell
Anderson, D.	Ewald	Kroening	Osthoff	Sviggum
Anderson, G.	Faricy	Kvam	Otis	Swanson
Anderson, R.	Fjoslien	Laidig	Patton	Thiede
Battaglia	Forsythe	Lehto	Pehler	Tomlinson
Begich	Friedrich	Levi	Peterson, B.	Valan
Berglin	Fritz	Long	Peterson, D.	Valento
Berkelman	Fudro	Ludeman	Piepho	Vanasek
Biersdorf	Greenfield	Luknic	Pleasant	Voss
Blatz	Haukoos	Mann	Prahl	Waldorf
Brinkman	Heap	McCarron	Redalen	Welch
Byrne	Heinitz	McDonald	Reding	Welker
Carlson, D.	Hoberg	McEachern	Rees	Wenzel
Carlson, L.	Hokanson	Mehrkens	Reif	Wieser
Clark	Jacobs	Metzen	Rodriguez	Wigley
Clawson	Jaros	Minne	Rose	Wynia
Crandall	Jennings	Moe	Rothenberg	Zubay
Dean	Johnson, C.	Munger	Sarna	Spkr. Norton
Dempsey	Johnson, D.	Murphy	Schreiber	
Den Ouden	Jude	Nelsen, B.	Searies	
Drew	Kahn	Nelsen, M.	Sherwood	
Eken	Kaley	Nelson	Sieben, H.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1871, 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 1978, Section 1.33.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Mehrkens moved that the House concur in the Senate amendments to H. F. No. 1871 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1871, A bill for an act relating to boundary waters; changing the terms of office of the Minnesota-Wisconsin boundary area commission; providing that the terms of commissioners shall be staggered; creating the South Dakota-Minnesota boundary waters commission; changing the duties of the commissioner of natural resources; amending Minnesota Statutes 1978, Sections 1.33; 114.13, Subdivisions 1, 2, and 4, and by adding a subdivision; repealing Minnesota Statutes 1978, Section 114.13, Subdivision 3.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kalis	Norman	Sieben, M.
Adams	Ellingson	Kelly	Novak	Simoneau
Ainley	Erickson	Kempe	Nysether	Stadum
Albrecht	Esau	Knickerbocker	Olsen	Stoa
Anderson, B.	Evans	Kostohryz	Onnen	Stowell
Anderson, D.	Ewald	Kroening	Osthoff	Sviggum
Anderson, G.	Faricy	Kvam	Otis	Swanson
Anderson, R.	Fjoslien	Laidig	Patton	Tomlinson
Battaglia	Forsythe	Lehto	Pehler	Valan
Begich	Friedrich	Levi	Peterson, B.	Valento
Berglin	Fritz	Long	Peterson, D.	Vanasek
Berkelman	Fudro	Ludeman	Piepho	Voss
Biersdorf	Greenfield	Luknic	Pleasant	Waldorf
Blatz	Haukoos	Mann	Prahl	Weaver
Brinkman	Heap	McCarron	Redalen	Welch
Byrne	Heinitz	McDonald	Reding	Welker
Carlson, D.	Hoberg	McEachern	Rees	Wenzel
Carlson, L.	Hokanson	Mehrkens	Reif	Wieser
Clark	Jacobs	Metzen	Rodriguez	Wigley
Clawson	Jaros	Minne	Rose	Wynia
Crandall	Jennings	Munger	Rothenberg	Zubay
Dean	Johnson, C.	Murphy	Sarna	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	
Den Ouden	Jude	Nelsen, M.	Searles	
Drew	Kahn	Nelson	Sherwood	
Eken	Kaley	Niehaus	Sieben, H.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2044 and 2092.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1618 and 1655.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 210, 1021, 1235 and 1962.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1805, 1861 and 2172.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2044, A bill for an act relating to eminent domain; limiting the authority to acquire certain property by condemnation; repealing certain obsolete provisions of law authorizing acquisition by condemnation; changing certain obsolete language; amending Minnesota Statutes 1978, Sections 84.033; 84.154, Subdivision 3; 84A.10; 84A.39; 84A.55, Subdivision 13; 85.015, Subdivisions 12 and 13; 88.09, Subdivision 2; 89.032, Subdivision 1; 105.39, Subdivision 4; 123.64; 136.65, Subdivision 1; 137.01, Subdivision 2; 137.02, Subdivisions 1 and 3; 190.11; 193.143; 193.144, Subdivisions 2 and 3; 459.06, Subdivision 1; 463.03;

and 641.263, Subdivision 2; repealing Minnesota Statutes 1978, Sections 38.05; 85A.02, Subdivision 6; 117.31; 123.40, Subdivision 6; 123.63; 161.29; 193.144, Subdivision 4; 222.42; and 643.-06.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 2092, A bill for an act relating to state parks; clarifying the law governing state acquisitions and landowners' rights; hunting and fishing within boundaries; amending Minnesota Statutes 1978, Sections 85.0115; and 99.25, Subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1618, A bill for an act relating to taxation; authorizing certain taxing districts to provide property tax exemption or abatement for certain new business facilities; requiring an adjustment of the EARC valuation; adjusting the local government aid formula; amending Minnesota Statutes 1978, Section 124.212, by adding a subdivision; and Minnesota Statutes, 1979 Supplement, Section 477A.01, Subdivision 4.

The bill was read for the first time.

Valan moved that S. F. No. 1618 and H. F. No. 1678, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1655, A bill for an act relating to education; permitting certain previous nonresident students to be treated as resident students in their district of attendance, and authorizing the state board of education and school superintendents to make these exceptions; amending Minnesota Statutes 1978, Chapter 120, by adding sections; and Minnesota Statutes, 1979 Supplement, Section 120.075, Subdivision 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 210, A bill for an act relating to education; providing and regulating certain mobility incentives for certain teachers in the community colleges and state universities; amending Minnesota Statutes 1978, Sections 354.094, Subdivisions 1, 2 and 5; 354.66, Subdivisions 1, 7, 9 and 10, and by adding subdivisions; 354.69; Minnesota Statutes, 1979 Supplement, Sections 354.094, Subdivision 3; and 354.66, Subdivision 2.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1021, A bill for an act relating to taxation; providing for continuation of homestead classification of property owned by Peace Corps or VISTA volunteer; amending Minnesota Statutes 1978, Section 273.13, Subdivision 10.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 1235, A bill for an act relating to public improvements; permitting deferral of special assessments in instances of hardship; amending Minnesota Statutes 1978, Section 435.193.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 1962, A bill for an act relating to environment; altering the procedure for environmental review; providing for alternative forms of environmental review; amending Minnesota Statutes 1978, Section 116D.04, by adding subdivisions; repealing Minnesota Statutes 1978, Section 116D.04, Subdivisions 1, 2, 3, 4, and 5.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1805, A bill for an act relating to education; designating the birthday of Martin Luther King as a special observance day in public schools; eliminating a reference to the amount of time that may be spent for certain instruction and programs on a special observance day; amending Minnesota Statutes 1978, Section 126.10.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 1861, A bill for an act relating to education; changing the term "community schools" to "community education"; amending Minnesota Statutes 1978, Sections 120.76; 121.85; 121.86; 121.87; 121.88, Subdivisions 1, 2 and 3; and 124.271, Subdivision 4; Minnesota Statutes, 1979 Supplement, Sections 3.9279, Subdivision 7; 124.271, Subdivisions 1a, 2 and 5; and 275.125, Subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 2172, A bill for an act relating to the Moose Lake-Windemere Sewer District; definitions; board membership and compensation; powers; amending Laws 1974, Chapter 400, Sections 3, Subdivisions 5 and 12; 4, Subdivisions 2 and 9; and 8, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as a Special Order to be acted upon immediately following Special Orders pending for Tuesday, March 25, 1980:

S. F. Nos. 1166, 1054, 744, 1293, 1900, 1630, 1734, 1843, 523, 1996, 1875, 1611, 1842, 1541, 1922, 1811, 2067, 1772, 789, 1813, 1937, 2090, 1679, 1652, 2110, 704, 1240, 1619 and 1665.

CONSENT CALENDAR

S. F. No. 2168, A bill for an act relating to historic sites; designating additional historic sites; requiring notice to the Minnesota Historical Society when the state or a political subdivision acquires certain property; amending Minnesota Statutes 1978, Sections 138.56, by adding a subdivision; and 138.59.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kalis	Niehaus	Sieben, H.
Adams	Ellingson	Kelly	Norman	Sieben, M.
Ainley	Erickson	Kempe	Novak	Simoneau
Albrecht	Esau	Knickerbocker	Nysether	Stadum
Anderson, B.	Evans	Kostohryz	Olsen	Stoa
Anderson, D.	Ewald	Kroening	Osthoff	Stowell
Anderson, G.	Faricy	Kvam	Otis	Sviggum
Anderson, R.	Fjoslien	Laidig	Patton	Swanson
Battaglia	Forsythe	Lehto	Pehler	Thiede
Begich	Friedrich	Levi	Peterson, B.	Tomlinson
Berglin	Fritz	Long	Peterson, D.	Valan
Berkelman	Fudro	Ludeman	Pleasant	Valento
Blatz	Greenfield	Luknic	Prahl	Vanasek
Brinkman	Haukoos	Mann	Redalen	Voss
Byrne	Heap	McCarron	Reding	Waldorf
Carlson, D.	Heinitz	McDonald	Rees	Weaver
Carlson, L.	Hoberg	McEachern	Reif	Welch
Casserly	Hokanson	Mehrkens	Rice	Welker
Clark	Jacobs	Metzen	Rodriguez	Wenzel
Clawson	Jaros	Minne	Rose	Wieser
Corbid	Jennings	Moe	Rothenberg	Wigley
Crandall	Johnson, C.	Munger	Sarna	Wynia
Dean	Johnson, D.	Murphy	Schreiber	Zubay
Den Ouden	Jude	Nelsen, B.	Searle	Spkr. Norton
Drew	Kahn	Nelsen, M.	Searles	
Eken	Kaley	Nelson	Sherwood	

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Voss requested immediate consideration of H. F. Nos. 1710, 1662, 251, 262 and 1443; S. F. Nos. 654 and 975; and H. F. Nos. 733 and 1841.

H. F. No. 1710 was reported to the House.

Ainley moved to amend H. F. No. 1710 as follows:

Page 7, delete lines 18 to 23

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 51 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kalis	Piepho	Thiede
Ainley	Fjoslien	Kvam	Pleasant	Valan
Albrecht	Friedrich	Laidig	Redalen	Valento
Biersdorf	Fritz	Ludeman	Rees	Welker
Blatz	Halberg	McDonald	Rothenberg	Wieser
Carlson, D.	Haukoos	Mehrkens	Searle	Wigley
Crandall	Heap	Nelsen, B.	Searles	Zubay
Dempsey	Heinitz	Niehaus	Sherwood	
Den Ouden	Hoberg	Nysether	Stadum	
Erickson	Jennings	Olsen	Stowell	
Esau	Kaley	Onnen	Sviggum	

Those who voted in the negative were:

Adams	Eken	Knickerbocker	Nelson	Sieben, H.
Anderson, B.	Elioff	Kostohryz	Norman	Sieben, M.
Anderson, D.	Ellingson	Kroening	Novak	Simoneau
Anderson, G.	Evans	Lehto	Osthoff	Stoa
Anderson, R.	Faricy	Levi	Otis	Swanson
Battaglia	Forsythe	Long	Patton	Tomlinson
Begich	Fudro	Luknie	Pehler	Vanasek
Berglin	Greenfield	Mann	Peterson, B.	Voss
Berkelman	Hokanson	McCarron	Peterson, D.	Waldorf
Brinkman	Jacobs	McEachern	Prahl	Weaver
Byrne	Jaros	Metzen	Reding	Welch
Carlson, L.	Johnson, C.	Minne	Reif	Wenzel
Casserly	Jude	Moe	Rice	Wynia
Clark	Kahn	Munger	Rodriguez	Spkr. Norton
Dean	Kelly	Murphy	Sarna	
Drew	Kempe	Nelsen, M.	Schreiber	

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

Welker moved to amend H. F. No. 1710, as follows:

Page 4, line 18, delete "no more than \$10 of"

Page 4, line 19, delete "The remainder of the"

Page 4, delete lines 20 through 28

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 65 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Hoberg	Mehrkens	Sherwood
Ainley	Erickson	Hokanson	Minne	Stadum
Albrecht	Esau	Jennings	Nelsen, B.	Stowell
Anderson, G.	Evans	Johnson, D.	Niehau	Swanson
Anderson, R.	Ewald	Kaley	Nysether	Thiede
Biersdorf	Fjoslien	Kalis	Olsen	Valan
Blatz	Forsythe	Kempe	Onnen	Valento
Carlson, D.	Friedrich	Knickerbocker	Piepho	Weaver
Crandall	Fritz	Kvam	Redalen	Welch
Dean	Halberg	Laidig	Reif	Welker
Dempsey	Haukoos	Levi	Rothenberg	Wieser
Den Ouden	Heap	Ludeman	Searle	Wigley
Drew	Heinitz	Luknic	Searles	Zubay

Those who voted in the negative were:

Adams	Elioff	Long	Osthoff	Sarna
Anderson, B.	Ellingson	Mann	Otis	Schreiber
Anderson, D.	Farcy	McCarron	Patton	Sieben, H.
Battaglia	Fudro	McDonald	Pehler	Sieben, M.
Begich	Greenfield	McEachern	Peterson, B.	Simoneau
Berglin	Jaros	Metzen	Peterson, D.	Stoa
Brinkman	Johnson, C.	Moe	Pleasant	Tomlinson
Byrne	Jude	Munger	Prahl	Vanasek
Carlson, L.	Kahn	Murphy	Reding	Voss
Casserly	Kelly	Nelsen, M.	Rees	Waldorf
Clark	Kostohryz	Nelson	Rice	Wenzel
Clawson	Kroening	Norman	Rodriguez	Wynia
Corbid	Lehto	Novak	Rose	Spkr. Norton

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

Sieben, M., moved to amend H. F. No. 1710, as follows:

Page 26, line 7, after "utility" insert "or qualified contractor"

Page 26, line 14, delete "utility's" and insert "vendor's"

Page 26, line 16, after "utility" insert "or qualified contractor"

Page 26, after line 23, insert:

"(e) "Qualified contractor" means a contractor engaged in the making or installation of energy conservation improvements who enters into a contract with the commission to make or install such improvements under the terms and conditions set forth in the rules of the commission."

Page 26, line 33, delete "The"

Page 26, after line 33, insert *"The rules of the commission shall provide a free choice of vendor for consumers, and shall set forth the terms and conditions under which private contractors may make or install energy conservation improvements for consumers participating in programs authorized by this section. If there are rules, standards, or criteria of any other state or federal agency which set forth criteria for qualified contractors, the Commission shall utilize and incorporate such rules, standards, or criteria to the fullest extent possible in this program to avoid duplication and confusion. The rules shall permit consumers to utilize qualified contractors without loss of financial benefits under the program.*

The"

Page 27, after line 13, insert:

"Subd. 3. [FREE CHOICE OF VENDOR.] Upon request of a consumer to make or install energy conservation improvements, a utility shall inform the consumer of his right to utilize the vendor of his choice to make or install the improvement. The utility shall also provide the consumer with a list of all local contractors. The utility may not favor any contractor, including any service entity owned in whole or in part by the utility, through referral, advertisement or solicitation of consumers, or by any other means."

Renumber the subdivisions in sequence

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

MOTION FOR RECONSIDERATION

McDonald moved that the vote whereby the Welker amendment to H. F. No. 1710 was not adopted earlier be now reconsidered.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Sieben, H., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Elioff	Kaley	Niehaus	Sherwood
Adams	Ellingson	Kelly	Norman	Sieben, H.
Ainley	Erickson	Kempe	Novak	Sieben, M.
Albrecht	Esau	Knickerbocker	Nysether	Simoneau
Anderson, D.	Evans	Kostohryz	Olsen	Stadum
Anderson, G.	Faricy	Kroening	Onnen	Stoa
Anderson, I.	Fjoslien	Kvam	Osthoff	Stowell
Anderson, R.	Forsythe	Laidig	Otis	Sviggum
Battaglia	Friedrich	Lehto	Pehler	Thiede
Begich	Fritz	Levi	Peterson, B.	Tomlinson
Berglin	Fudro	Long	Peterson, D.	Valan
Berkelman	Greenfield	Ludeman	Piepho	Valento
Biersdorf	Halberg	Luknic	Pleasant	Vanasek
Blatz	Haukoos	McCarron	Prahl	Waldorf
Byrne	Heap	McDonald	Redalen	Weaver
Carlson, D.	Heintz	McEachern	Reding	Welch
Carlson, L.	Hoberg	Mehrkens	Rees	Welker
Casserly	Hokanson	Metzen	Reif	Wenzel
Clark	Jacobs	Minne	Rice	Wieser
Clawson	Jaros	Moe	Rodriguez	Wigley
Crandall	Jennings	Munger	Rothenberg	Wynia
Dean	Johnson, C.	Murphy	Sarna	Zubay
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Den Ouden	Jude	Nelsen, M.	Searle	
Drew	Kahn	Nelson	Searles	

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the McDonald motion for reconsideration and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kaley	Onnen	Sviggum
Ainley	Evans	Knickerbocker	Peterson, B.	Thiede
Albrecht	Ewald	Kvam	Piepho	Valan
Anderson, R.	Fjoslien	Laidig	Pleasant	Valento
Berkelman	Forsythe	Levi	Redalen	Waldorf
Biersdorf	Friedrich	Ludeman	Rees	Weaver
Blatz	Fritz	Luknic	Reif	Welker
Carlson, D.	Halberg	McDonald	Rothenberg	Wieser
Crandall	Haukoos	Mehrkens	Schreiber	Wigley
Dean	Heap	Nelsen, B.	Searle	Zubay
Dempsey	Heintz	Niehaus	Searles	
Den Ouden	Hoberg	Norman	Sherwood	
Drew	Jennings	Nysether	Stadum	
Erickson	Johnson, D.	Olsen	Stowell	

Those who voted in the negative were:

Adams	Anderson, G.	Begich	Byrne	Clark
Anderson, B.	Anderson, I.	Berglin	Carlson, L.	Clawson
Anderson, D.	Battaglia	Brinkman	Casserly	Corbid

Eken	Kahn	Metzen	Pehler	Swanson
Elioff	Kalis	Minne	Peterson, D.	Tomlinson
Ellingson	Kelly	Moe	Prahl	Vanasek
Faricy	Kempe	Munger	Reding	Voss
Fudro	Kostohryz	Murphy	Rice	Welch
Greenfield	Kroening	Nelsen, M.	Rodriguez	Wenzel
Hokanson	Lehto	Nelson	Sarna	Wynia
Jacobs	Long	Novak	Sieben, H.	Spkr. Norton
Jaros	Mann	Osthoff	Sieben, M.	
Johnson, C.	McCarron	Otis	Simoneau	
Jude	McEachern	Patton	Stoa	

The motion did not prevail.

Lehto was excused from 1:10 p.m. to 1:40 p.m.

Hoberg moved to amend H. F. No. 1710, as follows:

Page 6, line 2, delete "*community action agencies*,"

Page 6, line 3, before "*other*" add "*with the approval of the county board*,"

Page 6, line 5, after the period delete the remainder of the line

Page 6, delete lines 6, 7, 8 and 9

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

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

There were 67 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kalis	Onnen	Stadum
Ainley	Ewald	Knickerbocker	Peterson, B.	Stowell
Albrecht	Fjoslien	Kvam	Piepho	Sviggum
Anderson, R.	Forsythe	Laidig	Pleasant	Thiede
Biersdorf	Friedrich	Levi	Redalen	Valan
Blatz	Fritz	Ludeman	Reding	Valento
Carlson, D.	Halberg	Luknic	Rees	Weaver
Crandall	Haukoos	McDonald	Reif	Welker
Dean	Heap	Mehrkens	Rose	Wieser
Dempsey	Heinitz	Nelsen, B.	Rothenberg	Wigley
Den Ouden	Hoberg	Niehaus	Schreiber	Zubay
Drew	Jennings	Norman	Searle	
Erickson	Johnson, D.	Nysether	Searles	
Esau	Kaley	Olsen	Sherwood	

Those who voted in the negative were:

Adams	Clawson	Kahn	Nelsen, M.	Sieben, M.
Anderson, B.	Corbid	Kelly	Nelson	Simoneau
Anderson, D.	Eken	Kempe	Novak	Stoa
Anderson, G.	Elioff	Kostohryz	Osthoff	Swanson
Anderson, I.	Ellingson	Kroening	Otis	Tomlinson
Battaglia	Farcy	Long	Patton	Vanasek
Begich	Fudro	Mann	Pehler	Voss
Berglin	Greenfield	McEachern	Peterson, D.	Waldorf
Berkelman	Hokanson	Metzen	Prahl	Welch
Brinkman	Jacobs	Minne	Rice	Wenzel
Byrne	Jaros	Moe	Rodriguez	Wynia
Carlson, L.	Johnson, C.	Munger	Sarna	Spkr. Norton
Clark	Jude	Murphy	Sieben, H.	

The motion prevailed and the amendment was adopted.

Welker moved to amend H. F. No. 1710, as follows:

Page 21, delete lines 25 through 33

Page 22, delete lines 1 through 4

Page 24, delete lines 17 through 20

Renumber the remaining sections as appropriate

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, M., moved that those not voting be excused from voting. The motion prevailed.

There were 33 yeas and 94 nays as follows:

Those who voted in the affirmative were:

Ainley	Forsythe	Kaley	Piepho	Sviggum
Albrecht	Fritz	Kvam	Reding	Thiede
Blatz	Halberg	Levi	Rees	Valento
Crandall	Haukoos	Ludeman	Reif	Waldorf
Dempsey	Hoberg	McDonald	Searles	Welker
Den Ouden	Jennings	Niehaus	Sherwood	
Erickson	Johnson, D.	Peterson, B.	Stowell	

Those who voted in the negative were:

Aasness	Begich	Clark	Evans	Hokanson
Adams	Berglin	Clawson	Ewald	Jacobs
Anderson, B.	Berkelman	Corbid	Farcy	Johnson, C.
Anderson, D.	Biersdorf	Dean	Fjoslien	Jude
Anderson, G.	Brinkman	Drew	Friedrich	Kahn
Anderson, I.	Byrne	Eken	Fudro	Kalis
Anderson, R.	Carlson, L.	Elioff	Greenfield	Kelly
Battaglia	Casserly	Ellingson	Heinitz	Kempe

Knickerbocker	Minne	Onnen	Rose	Vanasek
Kostohryz	Moe	Osthoff	Rothenberg	Voss
Kroening	Munger	Otis	Sarna	Weaver
Laidig	Murphy	Patton	Schreiber	Welch
Long	Nelsen, B.	Pehler	Sieben, H.	Wenzel
Luknic	Nelsen, M.	Peterson, D.	Sieben, M.	Wieser
Mann	Nelson	Pleasant	Simoneau	Wigley
McCarron	Norman	Prahl	Stadum	Wynia
McEachern	Novak	Redalen	Stoa	Zubay
Mehrkens	Nysether	Rice	Swanson	Spkr. Norton
Metzen	Olsen	Rodriguez	Tomlinson	

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

Fritz was excused from 1:45 p.m. to 2:10 p.m.

Fjoslien and Nelsen, M., offered an amendment to H. F. No. 1710.

POINT OF ORDER

Sieben, M., raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Fjoslien appealed the decision of the chair.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" The roll was called and there were 86 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Adams	Dean	Kalis	Osthoff	Stoa
Anderson, B.	Eken	Kelly	Otis	Stowell
Anderson, D.	Elioff	Kempe	Patton	Swanson
Anderson, G.	Ellingson	Kostohryz	Pehler	Thiede
Anderson, I.	Erickson	Kroening	Peterson, D.	Tomlinson
Anderson, R.	Evans	Lehto	Pleasant	Valan
Battaglia	Faricy	Luknic	Prahl	Vanasek
Begich	Fudro	Mann	Reding	Voss
Berglin	Greenfield	McCarron	Reif	Waldorf
Berkelman	Halberg	McEachern	Rice	Weaver
Blatz	Haukoos	Metzen	Rodriguez	Welch
Brinkman	Heap	Minne	Rose	Wenzel
Byrne	Hokanson	Moe	Sarna	Wynia
Carlson, L.	Jacobs	Munger	Sherwood	Spkr. Norton
Casserly	Jaros	Murphy	Sieben, H.	
Clark	Johnson, C.	Nelson	Sieben, M.	
Clawson	Jude	Novak	Simoneau	
Corbid	Kahn	Nysether	Stadum	

Those who voted in the negative were:

Aasness	Ainley	Albrecht	Biersdorf	Carlson, D.
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Crandall	Heinitz	Ludeman	Peterson, B.	Valento
Dempsey	Hoberg	McDonald	Piepho	Welker
Den Ouden	Jennings	Mehrkens	Redalen	Wieser
Drew	Johnson, D.	Nelsen, B.	Rees	Wigley
Esau	Kaley	Nelsen, M.	Rothenberg	Zubay
Ewald	Knickerbocker	Niehaus	Schreiber	
Fjoslien	Kvam	Norman	Searle	
Forsythe	Laidig	Olsen	Searles	
Friedrich	Levi	Onnen	Sviggum	

So it was the judgment of the House that the decision of the Speaker should stand.

Crandall moved to amend H. F. No. 1710, as follows:

Page 4, line 18, delete "\$10" and insert "\$50"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 61 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jennings	Nysether	Stowell
Ainley	Erickson	Kaley	Olsen	Thiede
Albrecht	Esau	Kempe	Onnen	Valan
Anderson, D.	Evans	Knickerbocker	Peterson, B.	Valento
Anderson, G.	Ewald	Kvam	Piepho	Weaver
Anderson, R.	Fjoslien	Laidig	Redalen	Welker
Biersdorf	Forsythe	Levi	Rose	Wieser
Blatz	Friedrich	Ludeman	Rothenberg	Wigley
Carlson, D.	Halberg	Luknic	Schreiber	Zubay
Crandall	Haukoos	McDonald	Searle	
Dean	Heap	Mehrkens	Searles	
Dempsey	Heinitz	Nelsen, B.	Sherwood	
Den Ouden	Hoberg	Niehaus	Stadum	

Those who voted in the negative were:

Adams	Eken	Kostohryz	Novak	Simoneau
Anderson, B.	Elioff	Kroening	Osthoff	Stoa
Anderson, I.	Ellingson	Lehto	Otis	Swanson
Battaglia	Faricy	Long	Patton	Tomlinson
Begich	Fudro	Mann	Pehler	Vanasek
Berglin	Greenfield	McCarron	Peterson, D.	Voss
Berkelman	Hokanson	McEachern	Pleasant	Waldorf
Brinkman	Jacobs	Metzen	Prahl	Welch
Byrne	Jaros	Minne	Reding	Wenzel
Carlson, L.	Johnson, C.	Moe	Rice	Wynia
Casserly	Jude	Munger	Rodriguez	Spkr. Norton
Clark	Kahn	Murphy	Sarna	
Clawson	Kalis	Nelsen, M.	Sieben, H.	
Corbid	Kelly	Nelson	Sieben, M.	

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

Schreiber moved to amend H. F. No. 1710, as follows:

Page 7, delete lines 19 and 20

Page 7, line 21, delete "*addition, a household*"

Page 7, line 23, delete "*three*" and insert "*eight*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 44 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kalis	Nysether	Stowell
Ainley	Forsythe	Kvam	Onnen	Sviggum
Albrecht	Friedrich	Laidig	Peterson, B.	Thiede
Crandall	Halberg	Levi	Rees	Valento
Dempsey	Haukoos	Ludeman	Rose	Welker
Den Ouden	Heap	McDonald	Schreiber	Wieser
Erickson	Heinitz	Mehrkens	Searles	Wigley
Esau	Jennings	Nelsen, B.	Sherwood	Zubay
Ewald	Kaley	Niehaus	Stadum	

Those who voted in the negative were:

Adams	Clawson	Kelly	Nelson	Sieben, H.
Anderson, B.	Corbid	Kempe	Norman	Sieben, M.
Anderson, D.	Dean	Kostohryz	Novak	Simoneau
Anderson, G.	Drew	Kroening	Olsen	Stoa
Anderson, I.	Eken	Lehto	Osthoff	Swanson
Anderson, R.	Elioff	Long	Otis	Tomlinson
Battaglia	Ellingson	Luknic	Patton	Vanasek
Begich	Faricy	Mann	Pehler	Voss
Berglin	Fudro	McCarron	Peterson, D.	Waldorf
Berkelman	Greenfield	McEachern	Pleasant	Weaver
Brinkman	Hokanson	Metzen	Prahl	Welch
Byrne	Jacobs	Minne	Reding	Wenzel
Carlson, D.	Johnson, C.	Moe	Rice	Wynia
Carlson, L.	Johnson, D.	Munger	Rodriguez	Spkr. Norton
Casserly	Jude	Murphy	Rothenberg	
Clark	Kahn	Nelsen, M.	Sarna	

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

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1121:

Sieben, H.; Eken; Casserly; Pehler; and Schreiber.

CONSIDERATION UNDER RULE 1.10, Continued

Ludeman moved to amend H. F. No. 1710, as follows:

Page 21, line 25, delete "The"

Page 21, line 26, delete "University of Minnesota" insert "Southwest State University"

Page 24, line 17, delete "the University of Minnesota" insert "Southwest State University"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

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

There were 56 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kaley	Patton	Sviggum
Ainley	Esau	Kvam	Pehler	Thiede
Albrecht	Evans	Laidig	Peterson, B.	Valento
Anderson, B.	Fjoslien	Levi	Piepho	Weaver
Biersdorf	Friedrich	Ludeman	Pleasant	Welker
Blatz	Fritz	Luknic	Rees	Wieser
Brinkman	Haukoos	Mann	Reif	Wigley
Carlson, D.	Heinitz	McDonald	Rose	Zubay
Crandall	Hoberg	Mehrkens	Searles	
Dempsey	Jennings	Niehaus	Sherwood	
Den Ouden	Johnson, D.	Nysether	Stadum	
Drew	Jude	Onnen	Stowell	

Those who voted in the negative were:

Adams	Casserly	Fudro	Knickerbocker	Murphy
Anderson, D.	Clark	Greenfield	Kostohryz	Nelsen, B.
Anderson, G.	Clawson	Halberg	Kroening	Nelsen, M.
Anderson, I.	Corbid	Hokanson	Lehto	Nelson
Anderson, R.	Dean	Jacobs	Long	Norman
Battaglia	Eken	Jaros	McCarron	Novak
Begich	Elioff	Johnson, C.	McEachern	Olsen
Berglin	Ellingson	Kahn	Metzen	Osthoff
Berkelman	Ewald	Kalis	Minne	Otis
Byrne	Faricy	Kelly	Moe	Peterson, D.
Carlson, L.	Forsythe	Kempe	Munger	Prahl

Redalen	Sarna	Stoa	Voss	Spkr. Norton
Reding	Searle	Swanson	Waldorf	
Rice	Sieben, H.	Tomlinson	Welch	
Rodriguez	Sieben, M.	Valan	Wenzel	
Rothenberg	Simoneau	Vanasek	Wynia	

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

H. F. No. 1710, A bill for an act relating to energy; stating legislative energy policy; providing grants and assistance for community energy planning; assessment of fees for residential energy audits; providing grants for residential heating costs and weatherization; providing guidelines for a state plan for spending federal money; reimbursing counties for heating emergency assistance expenses; defining large energy facilities; authorizing subdivisions to levy for certain energy related activities; providing grants for energy research and development projects; providing education on building energy efficiency; energy audits; ethanol plant demonstration project; creating the alcohol fuels information center; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 116H.01; 116H.087; 116H.12, Subdivision 11; 216B.16, by adding a subdivision; 275.50, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.02, Subdivision 5; 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 96 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Johnson, C.	Moe	Reding
Anderson, B.	Dean	Johnson, D.	Munger	Rees
Anderson, D.	Drew	Jude	Murphy	Reif
Anderson, G.	Eken	Kahn	Nelsen, B.	Rice
Anderson, I.	Elioff	Kelly	Nelsen, M.	Rodriguez
Anderson, R.	Ellingson	Kempe	Nelson	Rose
Battaglia	Evans	Kostohryz	Norman	Sarna
Begich	Ewald	Kroening	Novak	Sherwood
Berglin	Farcy	Laidig	Nysether	Sieben, H.
Berkelman	Fjoslien	Lehto	Onnen	Sieben, M.
Blatz	Fritz	Long	Osthoff	Simoneau
Brinkman	Fudro	Luknic	Otis	Stadum
Byrne	Greenfield	Mann	Patton	Stoa
Carlson, D.	Heap	McCarron	Pehler	Swanson
Carlson, L.	Hoberg	McEachern	Peterson, B.	Tomlinson
Casserly	Hokanson	Mehrkens	Peterson, D.	Valan
Clark	Jacobs	Metzen	Pleasant	Vanasek
Clawson	Jaros	Minne	Prahl	Voss

Waldorf
Weaver

Welch

Wenzel

Wynia

Spkr. Norton

Those who voted in the negative were :

Aasness	Esau	Kalis	Piepho	Thiede
Ainley	Forsythe	Knickerbocker	Redalen	Valento
Albrecht	Friedrich	Kvam	Rothenberg	Welker
Biersdorf	Halberg	Levi	Schreiber	Wieser
Crandall	Haukoos	Ludeman	Searle	Wigley
Dempsey	Heinitz	McDonald	Searles	Zubay
Den Ouden	Jennings	Niehaus	Stowell	
Erickson	Kaley	Olsen	Sviggum	

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

CALL OF THE HOUSE LIFTED

Rose moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

H. F. No. 1662, A bill for an act relating to state government; providing for a demonstration job-sharing project in state government; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kempe	Novak	Sieben, H.
Adams	Elioff	Knickerbocker	Olsen	Sieben, M.
Anderson, B.	Ellingson	Kostohryz	Onnen	Simoneau
Anderson, D.	Erickson	Kroening	Osthoff	Stadum
Anderson, G.	Esau	Laidig	Otis	Stoa
Anderson, I.	Evans	Lehto	Patton	Sviggum
Anderson, R.	Ewald	Levi	Pehler	Swanson
Battaglia	Faricy	Long	Peterson, B.	Tomlinson
Begich	Forsythe	Luknic	Peterson, D.	Voss
Berglin	Fudro	Mann	Piepho	Valento
Berkelman	Greenfield	McCarron	Pleasant	Vanasek
Biersdorf	Haukoos	McDonald	Prahl	Voss
Blatz	Heap	McEachern	Redalen	Waldorf
Brinkman	Hoberg	Mehrkens	Reding	Weaver
Byrne	Hokanson	Metzen	Rees	Welch
Carlson, L.	Jacobs	Minne	Reif	Wenzel
Casserly	Jaros	Moe	Rice	Wieser
Clark	Johnson, C.	Munger	Rodriguez	Wynia
Clawson	Johnson, D.	Murphy	Rose	Zubay
Corbid	Jude	Nelsen, B.	Rothenberg	Spkr. Norton
Crandall	Kahn	Nelsen, M.	Sarna	
Dean	Kaley	Nelson	Schreiber	
Den Ouden	Kalis	Niehaus	Searles	
Drew	Kelly	Norman	Sherwood	

Those who voted in the negative were:

Dempsey	Jennings	Ludeman	Stowell	Welker
Fjoslien	Kvam	Nysether	Thiede	Wigley

The bill was passed and its title agreed to.

H. F. No. 251, A bill for an act relating to local government; permitting self insurance of health benefits; authorizing joint self insurance; amending Minnesota Statutes 1978, Section 471.616, Subdivision 1; Section 60A.23, by adding a subdivision; and Chapter 471, by adding a section; repealing Minnesota Statutes, 1979 Supplement, Section 471.61, Subdivision 1b.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Jude	Nelsen, M.	Searles
Adams	Drew	Kahn	Nelson	Sherwood
Ainley	Eken	Kaley	Niehaus	Sieben, H.
Albrecht	Elioff	Kalis	Norman	Sieben, M.
Anderson, B.	Ellingson	Kelly	Novak	Simoneau
Anderson, D.	Erickson	Kempe	Nysether	Stadum
Anderson, G.	Esau	Knickerbocker	Olsen	Stoa
Anderson, I.	Evans	Kostohryz	Osthoff	Stowell
Anderson, R.	Ewald	Kroening	Otis	Sviggum
Battaglia	Faricy	Kvam	Patton	Swanson
Begich	Fjoslien	Laidig	Pehler	Thiede
Berglin	Forsythe	Lehto	Peterson, B.	Tomlinson
Berkelman	Friedrich	Levi	Peterson, D.	Valan
Biersdorf	Fritz	Long	Piepho	Valento
Blatz	Fudro	Ludeman	Pleasant	Vanasek
Brinkman	Greenfield	Luknic	Prahl	Voss
Byrne	Halberg	Mann	Redalen	Waldorf
Carlson, D.	Haukoos	McCarron	Reding	Weaver
Carlson, L.	Heap	McEachern	Rees	Welch
Casserly	Heinitz	Mehrkens	Reif	Welker
Clark	Hoberg	Metzen	Rice	Wenzel
Clawson	Hokanson	Minne	Rodriguez	Wieser
Corbid	Jacobs	Moe	Rose	Wigley
Crandall	Jaros	Munger	Rothenberg	Wynia
Dean	Jennings	Murphy	Sarna	Zubay
Dempsey	Johnson, C.	Nelsen, B.	Schreiber	Spkr. Norton

The bill was passed and its title agreed to.

H. F. No. 262, A bill for an act relating to local government; permitting self insurance for local governments; authorizing insurance pooling; amending Minnesota Statutes 1978, Sections 60A.02, Subdivisions 3 and 4; 79.01, Subdivisions 2 and 3; and Chapter 471, by adding sections.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Jude	Niehaus	Sherwood
Adams	Drew	Kahn	Norman	Sieben, H.
Ainley	Eken	Kaley	Novak	Sieben, M.
Albrecht	Elioff	Kalis	Nysether	Simoneau
Anderson, B.	Erickson	Kelly	Olsen	Stadum
Anderson, D.	Esau	Kempe	Onnen	Stoa
Anderson, G.	Evans	Knickerbocker	Osthoff	Sviggum
Anderson, I.	Ewald	Kostohryz	Otis	Swanson
Anderson, R.	Faricy	Kroening	Patton	Thiede
Battaglia	Fjoslien	Kvam	Pehler	Tomlinson
Begich	Forsythe	Laidig	Peterson, B.	Valan
Berglin	Friedrich	Lehto	Peterson, D.	Valento
Berkelman	Fritz	Levi	Piepho	Vanasek
Biersdorf	Fudro	Long	Pleasant	Voss
Blatz	Greenfield	Luknic	Prahl	Waldorf
Brinkman	Halberg	Mann	Redalen	Weaver
Byrne	Haukoos	McCarron	Reding	Welch
Carlson, D.	Heap	McDonald	Rees	Welker
Carlson, L.	Heinitz	Mehrkens	Reif	Wenzel
Casserly	Hoberg	Metzen	Rodriguez	Wieser
Clark	Jacobs	Munger	Rose	Wigley
Clawson	Jaros	Murphy	Rothenberg	Wynia
Crandall	Jennings	Nelsen, B.	Sarna	Zubay
Dean	Johnson, C.	Nelsen, M.	Schreiber	Spkr. Norton
Dempsey	Johnson, D.	Nelson	Searles	

The bill was passed and its title agreed to.

H. F. No. 1443, A bill for an act relating to transportation; providing for a transportation board; providing for transfer of certain duties, powers and functions of 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 1978, Sections 174.02, Subdivision 4; 174.03, Subdivision 2; 174.10, Subdivisions 1, 3, 4; 218.011, Subdivision 7; 218.021; 218.025; 218.031, Subdivisions 1, 6, 8, 10; 218.041; 218.071; 219.03; 219.14; 219.23; 219.24; 219.25; 219.27; 219.28; 219.383; 219.39; 219.40; 219.41; 219.42; 219.43; 219.46, Subdivision 7; 219.47; 219.51; 219.52; 219.54; 219.55; 219.562, Subdivision 3; 219.65; 219.681; 219.70; 219.71; 219.741; 219.85; 219.86; 219.87; 221.011, Subdivisions 2b, 15; 221.021; 221.031, Subdivision 1; 221.041; 221.051; 221.061; 221.071; 221.081; 221.101; 221.121; 221.131; 221.141, Subdivision 2; 221.151; 221.161; 221.171; 221.181; 221.221; 221.261; 221.271; 221.281; 221.291, Subdivision 1; 221.293; 221.295; 221.296, Subdivisions 2, 3, 4, 8; 221.55; 221.68; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 1; and 221.011, Subdivision 22; repealing Minnesota Statutes 1978, Section 219.742.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Nelson	Searle
Adams	Eken	Kaley	Niehaus	Searles
Ainley	Elioff	Kalis	Norman	Sherwood
Albrecht	Ellingson	Kelly	Novak	Sieben, H.
Anderson, B.	Erickson	Kempe	Nysether	Sieben, M.
Anderson, D.	Esau	Knickerbocker	Olsen	Simoneau
Anderson, G.	Evans	Kostohryz	Onnen	Stadum
Anderson, I.	Faricy	Kroening	Osthoff	Stoa
Anderson, R.	Fjoslien	Kvam	Otis	Sviggum
Battaglia	Forsythe	Laidig	Patton	Swanson
Begich	Friedrich	Lehto	Pehler	Thiede
Berglin	Fritz	Levi	Peterson, B.	Tomlinson
Berkelman	Fudro	Long	Peterson, D.	Valan
Biersdorf	Greenfield	Luknic	Piepho	Valento
Blatz	Halberg	Mann	Pleasant	Vanasek
Brinkman	Haukoos	McCarron	Prahl	Voss
Byrne	Heap	McDonald	Redalen	Waldorf
Carlson, D.	Heinitz	McEachern	Reding	Weaver
Carlson, L.	Hoberg	Mehrkens	Rees	Weich
Casserly	Hokanson	Metzen	Reif	Welker
Clark	Jacobs	Minne	Rice	Wenzel
Clawson	Jaros	Moe	Rodriguez	Wieser
Corbid	Jennings	Munger	Rose	Wigley
Crandall	Johnson, C.	Murphy	Rothenberg	Wynia
Dempsey	Johnson, D.	Nelsen, B.	Sarna	Zubay
Den Ouden	Jude	Nelsen, M.	Schreiber	Spkr. Norton

The bill was passed and its title agreed to.

S. F. No. 654, A bill for an act relating to human services; providing state recognition and financial grants to volunteer programs for retired senior citizens; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Berglin	Corbid	Evans	Hoberg
Adams	Berkelman	Crandall	Faricy	Hokanson
Ainley	Biersdorf	Dean	Fjoslien	Jacobs
Albrecht	Blatz	Dempsey	Forsythe	Jaros
Anderson, B.	Brinkman	Den Ouden	Fritz	Jennings
Anderson, D.	Byrne	Drew	Fudro	Johnson, C.
Anderson, G.	Carlson, D.	Eken	Greenfield	Johnson, D.
Anderson, I.	Carlson, L.	Elioff	Halberg	Jude
Anderson, R.	Casserly	Ellingson	Haukoos	Kahn
Battaglia	Clark	Erickson	Heap	Kaley
Begich	Clawson	Esau	Heinitz	Kalis

Kelly	Mehrkens	Osthoff	Rothenberg	Valan
Kempe	Metzen	Otis	Sarna	Valento
Knickerbocker	Minne	Patton	Schreiber	Vanasek
Kostohryz	Moe	Pehler	Searle	Voss
Kroening	Munger	Peterson, B.	Searles	Waldorf
Kvam	Murphy	Peterson, D.	Sherwood	Weaver
Lehto	Nelsen, B.	Piepho	Sieben, H.	Welch
Levi	Nelsen, M.	Pleasant	Sieben, M.	Welker
Long	Nelson	Prahl	Simoneau	Wenzel
Ludeman	Niehaus	Redalen	Stadum	Wieser
Luknic	Norman	Reding	Stoa	Wigley
Mann	Novak	Rees	Sviggum	Wynia
McCarron	Nysether	Reif	Swanson	Zubay
McDonald	Olsen	Rice	Thiede	Spkr. Norton
McEachern	Onnen	Rodriguez	Tomlinson	

The bill was passed and its title agreed to.

S. F. No. 975, A bill for an act relating to cemeteries; providing for the preservation of burial grounds; eliminating obsolete provisions; imposing penalties; appropriating money; amending Minnesota Statutes 1978, Section 307.08; repealing Minnesota Statutes 1978, Section 149.07.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Nelson	Searle
Adams	Elioff	Kalis	Niehaus	Sherwood
Ainley	Ellingson	Kelly	Norman	Sieben, H.
Albrecht	Erickson	Kempe	Novak	Sieben, M.
Anderson, B.	Esau	Knickerbocker	Nysether	Simoneau
Anderson, D.	Evans	Kostohryz	Olsen	Stadum
Anderson, G.	Ewald	Kroening	Onnen	Stoa
Anderson, I.	Fariy	Kvam	Osthoff	Sviggum
Anderson, R.	Fjoslien	Laidig	Otis	Swanson
Battaglia	Forsythe	Lehto	Patton	Thiede
Begich	Fritz	Levi	Pehler	Tomlinson
Berglin	Fudro	Long	Peterson, B.	Valan
Berkelman	Greenfield	Ludeman	Peterson, D.	Valento
Biersdorf	Halberg	Luknic	Piepho	Vanasek
Blatz	Haukoos	Mann	Pleasant	Voss
Brinkman	Heap	McCarron	Prahl	Waldorf
Byrne	Heinitz	McDonald	Redalen	Weaver
Carlson, L.	Hoberg	McEachern	Reding	Welch
Casserly	Hokanson	Mehrkens	Rees	Wenzel
Clark	Jacobs	Metzen	Reif	Wieser
Clawson	Jaros	Minne	Rice	Wigley
Corbid	Jennings	Moe	Rodriguez	Wynia
Crandall	Johnson, C.	Munger	Rose	Zubay
Dean	Johnson, D.	Murphy	Rothenberg	Spkr. Norton
Den Ouden	Jude	Nelsen, B.	Sarna	
Drew	Kahn	Nelsen, M.	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 733, A bill for an act relating to veterans; increasing the maximum amount of certain educational grants to certain persons; appropriating money; amending Minnesota Statutes 1978, Sections 197.11; and 197.75, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Norman	Sieben, M.
Adams	Elioff	Kalis	Novak	Simoneau
Ainley	Ellingson	Kelly	Nysether	Stadum
Albrecht	Erickson	Kempe	Olsen	Stoa
Anderson, B.	Esau	Knickerbocker	Onnen	Stowell
Anderson, D.	Evans	Kostohryz	Osthoff	Sviggum
Anderson, G.	Ewald	Kroening	Otis	Swanson
Anderson, I.	Faricy	Kvam	Patton	Thiede
Anderson, R.	Fjoslien	Lehto	Pehler	Tomlinson
Battaglia	Forsythe	Levi	Peterson, B.	Valan
Begich	Friedrich	Long	Peterson, D.	Valento
Berglin	Fritz	Ludeman	Piepho	Vanasek
Berkelman	Fudro	Luknic	Pleasant	Voss
Biersdorf	Greenfield	Mann	Prahl	Waldorf
Blatz	Halberg	McCarron	Redalen	Weaver
Brinkman	Haukoos	McDonald	Reding	Welch
Byrne	Heap	McEachern	Rees	Welker
Carlson, D.	Heinitz	Mehrkens	Reif	Wenzel
Carlson, L.	Hoberg	Metzen	Rice	Wieser
Clark	Hokanson	Minne	Rodriguez	Wigley
Clawson	Jacobs	Moe	Rothenberg	Wynia
Corbid	Jaros	Munger	Sarna	Zubay
Crandall	Jennings	Murphy	Schreiber	Spkr. Norton
Dean	Johnson, C.	Nelsen, B.	Searle	
Dempsey	Johnson, D.	Nelsen, M.	Searles	
Den Ouden	Jude	Nelson	Sherwood	
Drew	Kahn	Niehaus	Sieben, H.	

The bill was passed and its title agreed to.

H. F. No. 1841, A bill for an act relating to state government; providing for certain historical memorials; providing an appropriation.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, B.	Anderson, R.	Berkelman	Byrne
Adams	Anderson, D.	Battaglia	Biersdorf	Carlson, L.
Ainley	Anderson, G.	Begich	Blatz	Casserly
Albrecht	Anderson, I.	Berglin	Brinkman	Clark

Clawson	Heap	Ludeman	Pehler	Stoa
Corbid	Heinitz	Luknic	Peterson, B.	Stowell
Crandall	Hoberg	Mann	Peterson, D.	Sviggum
Dean	Hokanson	McCarron	Piepho	Swanson
Dempsey	Jacobs	McDonald	Pleasant	Thiede
Den Ouden	Jaros	McEachern	Prahl	Tomlinson
Drew	Jennings	Mehrkens	Redalen	Valan
Eken	Johnson, C.	Metzen	Reding	Valento
Elioff	Johnson, D.	Minne	Rees	Vanasek
Ellingson	Jude	Munger	Reif	Voss
Erickson	Kahn	Murphy	Rice	Waldorf
Esau	Kaley	Nelsen, B.	Rodriguez	Weaver
Evans	Kalis	Nelsen, M.	Rose	Welch
Ewald	Kelly	Nelson	Rothenberg	Welker
Faricy	Kempe	Niehaus	Sarna	Wenzel
Fjoslien	Knickerbocker	Norman	Schreiber	Wieser
Forsythe	Kostohryz	Novak	Searle	Wigley
Friedrich	Kroening	Nysether	Searles	Wynia
Fritz	Kvam	Olsen	Sherwood	Zubay
Fudro	Laidig	Onnen	Sieben, H.	Spkr. Norton
Greenfield	Lehto	Osthoff	Sieben, M.	
Halberg	Levi	Otis	Simoneau	
Haukoos	Long	Patton	Stadum	

The bill was passed and its title agreed to.

Pursuant to rule 1.10, Sieben, H., requested immediate consideration of H. F. No. 1047 and S. F. No. 507.

H. F. No. 1047 was reported to the House and given its third reading.

MOTION FOR RECONSIDERATION

Wieser moved that the action whereby H. F. No. 1047 was given its third reading be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the motion to reconsider and the roll was called. There were 67 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Piepho	Sviggum
Ainley	Forsythe	Laidig	Pleasant	Thiede
Begich	Friedrich	Levi	Redalen	Tomlinson
Berkelman	Fritz	Ludeman	Reding	Valan
Biersdorf	Halberg	McDonald	Rees	Valento
Blatz	Haukoos	McEachern	Reif	Waldorf
Carlson, D.	Heap	Mehrkens	Rose	Weaver
Crandall	Heinitz	Nelsen, B.	Sarna	Welker
Dempsey	Hoberg	Niehaus	Schreiber	Wieser
Den Ouden	Jennings	Norman	Searle	Wigley
Drew	Johnson, D.	Nysether	Searles	Zubay
Erickson	Kaley	Olsen	Sherwood	
Esau	Kempe	Onnen	Stadum	
Ewald	Knickerbocker	Peterson, B.	Stowell	

Those who voted in the negative were:

Adams	Clawson	Kahn	Murphy	Sieben, M.
Albrecht	Corbid	Kalis	Nelsen, M.	Simoneau
Anderson, B.	Dean	Kostohryz	Nelson	Stoa
Anderson, D.	Eken	Kroening	Novak	Swanson
Anderson, G.	Elioff	Lehto	Osthoff	Vanasek
Anderson, R.	Ellingson	Long	Otis	Voss
Battaglia	Evans	Luknic	Patton	Welch
Berglin	Faricy	Mann	Pehler	Wenzel
Brinkman	Fudro	McCarron	Peterson, D.	Wynia
Byrne	Hokanson	Metzen	Prahl	Spkr. Norton
Carlson, L.	Jacobs	Minne	Rice	
Casserly	Johnson, C.	Moe	Rodriguez	
Clark	Jude	Munger	Sieben, H.	

The motion prevailed.

Thiede moved to amend H. F. No. 1047, as follows:

Page 3, line 18, delete the colon

Page 3, line 19, delete "(a)"

Page 3, delete lines 24 to 32

Page 3, line 23 delete "; and" and insert a period

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 77 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Onnen	Stadum
Ainley	Erickson	Kelly	Peterson, B.	Stowell
Albrecht	Esau	Kempe	Piepho	Sviggum
Anderson, B.	Evans	Knickerbocker	Pleasant	Swanson
Battaglia	Ewald	Kostohryz	Prahl	Thiede
Begich	Fjoslien	Kroening	Redalen	Valan
Berkelman	Forsythe	Kvam	Rees	Valento
Biersdorf	Friedrich	Laidig	Reif	Waldorf
Blatz	Fritz	Levi	Rodriguez	Weaver
Brinkman	Halberg	Ludeman	Rose	Welker
Carlson, D.	Haukoos	McDonald	Rothenberg	Wieser
Clawson	Heap	McEachern	Sarna	Wigley
Crandall	Heinitz	Mehrkens	Schreiber	Zubay
Dean	Hoberg	Niehaus	Searle	
Dempsey	Jennings	Nysether	Searles	
Den Ouden	Johnson, D.	Olsen	Sherwood	

Those who voted in the negative were:

Adams	Clark	Jacobs	Luknic	Nelsen, B.
Anderson, D.	Corbid	Jaros	Mann	Nelsen, M.
Anderson, G.	Eken	Johnson, C.	McCarron	Nelson
Anderson, R.	Elioff	Jude	Metzen	Norman
Berglin	Ellingson	Kahn	Minne	Novak
Byrne	Fudro	Kalis	Moe	Otis
Carlson, L.	Greenfield	Lehto	Munger	Patton
Casserly	Hokanson	Long	Murphy	Pehler

Peterson, D.	Sieben, H.	Stoa	Voss	Wynia
Reding	Sieben, M.	Tomlinson	Wenzel	
Rice	Simoneau	Vanasek		

The motion prevailed and the amendment was adopted.

Kvam moved that H. F. No. 1047, as amended, be returned to General Orders.

A roll call was requested and properly seconded.

The question was taken on the Kvam motion and the roll was called. There were 11 yeas and 112 nays as follows:

Those who voted in the affirmative were:

Albrecht	Fritz	McDonald	Piepho	Searles
Dempsey	Kvam	Peterson, B.	Searle	Wigley
Den Ouden				

Those who voted in the negative were:

Aasness	Elioff	Kalis	Novak	Simoneau
Adams	Ellingson	Kelly	Nysether	Stadum
Ainley	Erickson	Kempe	Olsen	Stoa
Anderson, B.	Esau	Kostohryz	Onnen	Stowell
Anderson, D.	Evans	Kroening	Osthoff	Swiggum
Anderson, G.	Ewald	Lehto	Otis	Swanson
Anderson, R.	Fjoslien	Levi	Patton	Thiede
Battaglia	Forsythe	Long	Pehler	Tomlinson
Begich	Fudro	Ludeman	Peterson, D.	Valan
Berglin	Greenfield	Luknic	Pleasant	Valento
Berkelman	Halberg	Mann	Prahl	Vanasek
Blatz	Haukoos	McCarron	Reding	Voss
Brinkman	Heap	McEachern	Rees	Weaver
Byrne	Heinitz	Metzen	Reif	Welch
Carlson, L.	Hoberg	Minne	Rice	Welker
Casserly	Hokanson	Moe	Rodriguez	Wenzel
Clark	Jaros	Munger	Rose	Wieser
Clawson	Jennings	Murphy	Rothenberg	Wynia
Corbid	Johnson, C.	Nelsen, B.	Sarna	Zubay
Crandall	Johnson, D.	Nelsen, M.	Schreiber	Spkr. Norton
Dean	Jude	Nelson	Sherwood	
Drew	Kahn	Niehaus	Sieben, H.	
Eken	Kaley	Norman	Sieben, M.	

The motion did not prevail.

H. F. No. 1047, A bill for an act relating to county and county regional jails; providing for establishment and use of county jails and county regional jails and the financing thereof by county contributions and bonds and municipal revenue bonds and leases; amending Minnesota Statutes 1978, Sections 385.18, Subdivision 3; 474.01, Subdivisions 7a and 8, and by adding a subdivision; 474.02, by adding a subdivision; 641.23; 641.24; 641.262, Subdivision 1; 641.263, Subdivision 2; 641.264, Subdivision 1; 641.265; and 642.04.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 111 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kostohryz	Onnen	Stadum
Adams	Elioff	Kroening	Osthoff	Stoa
Anderson, B.	Ellingson	Laidig	Otis	Stowell
Anderson, D.	Esau	Lehto	Patton	Sviggum
Anderson, G.	Evans	Long	Pehler	Swanson
Anderson, I.	Ewald	Luknic	Peterson, D.	Thiede
Anderson, R.	Faricy	Mann	Piepho	Tomlinson
Battaglia	Forsythe	McCarron	Prahl	Valan
Begich	Fudro	McDonald	Redalen	Valento
Berglin	Greenfield	McEachern	Reding	Vanasek
Berkelman	Halberg	Mehrkens	Rees	Voss
Blatz	Haukoos	Metzen	Reif	Waldorf
Brinkman	Heinitz	Minne	Rice	Weaver
Byrne	Hokanson	Moe	Rodriguez	Welch
Carlson, D.	Jaros	Munger	Rose	Welker
Carlson, L.	Johnson, C.	Murphy	Rothenberg	Wenzel
Casserly	Johnson, D.	Nelsen, B.	Sarna	Wieser
Clark	Jude	Nelsen, M.	Schreiber	Wynia
Clawson	Kahn	Nelson	Searles	Spkr. Norton
Corbid	Kalis	Norman	Sherwood	
Crandall	Kelly	Novak	Sieben, H.	
Dean	Kempe	Nysether	Sieben, M.	
Dempsey	Knickerbocker	Olsen	Simoneau	

Those who voted in the negative were:

Ainley	Erickson	Heap	Kvam	Pleasant
Albrecht	Fjoslien	Hoberg	Ludeman	Searle
Biersdorf	Friedrich	Jennings	Niehaus	Wigley
Drew	Fritz	Kaley	Peterson, B.	Zubay

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

S. F. No. 507, A bill for an act relating to taxation; providing for a levy apportionment for certain jurisdictions upon an assessment level differential greater than five percent; amending Minnesota Statutes 1978, Section 270.12, Subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, B.	Anderson, R.	Berkelman	Byrne
Adams	Anderson, D.	Battaglia	Biersdorf	Carlson, D.
Ainley	Anderson, G.	Begich	Blatz	Carlson, L.
Albrecht	Anderson, I.	Berglin	Brinkman	Casserly

Clark	Heap	Ludeman	Patton	Stadum
Clawson	Heinitz	Luknic	Pehler	Stoa
Corbid	Hoberg	Mann	Peterson, B.	Stowell
Crandall	Hokanson	McCarron	Peterson, D.	Svigum
Dean	Jacobs	McDonald	Piepho	Swanson
Dempsey	Jaros	McEachern	Pleasant	Thiede
Den Ouden	Jennings	Mehrkens	Prahl	Tomlinson
Drew	Johnson, C.	Metzen	Redalen	Valan
Eken	Johnson, D.	Minne	Reding	Valento
Elioff	Jude	Moe	Rees	Vanasek
Ellingson	Kahn	Munger	Reif	Voss
Erickson	Kaley	Murphy	Rice	Waldorf
Esau	Kalis	Nelsen, B.	Rodriguez	Welch
Evans	Kelly	Nelsen, M.	Rose	Welker
Faricy	Kempe	Nelson	Rothenberg	Wenzel
Fjoslien	Knickerbocker	Niehaus	Sarna	Wieser
Forsythe	Kostohryz	Norman	Schreiber	Wigley
Friedrich	Kroening	Novak	Searle	Wynia
Fritz	Kvam	Nysether	Searles	Zubay
Fudro	Laidig	Olsen	Sherwood	Spkr. Norton
Greenfield	Lehto	Onnen	Sieben, H.	
Halberg	Levi	Osthoff	Sieben, M.	
Haukoos	Long	Otis	Simoneau	

The bill was passed and its title agreed to.

SPECIAL ORDERS

H. F. No. 2090 was reported to the House.

Battaglia moved to amend H. F. No. 2090, as follows :

Strike everything after the enacting clause and insert :

“Section 1. Notwithstanding the provisions of Minnesota Statutes, Section 340.14, Subdivision 5, or any other law to the contrary, any Sunday on-sale intoxicating liquor license issued to a licensed premises in unorganized territory of Lake county without an election on the question is hereby legalized and validated.

Sec. 2. This act is effective upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3.”

Further amend the title as follows :

Delete lines 2 to 6 and insert :

“relating to Lake County; validating the issuance of a Sunday on-sale intoxicating liquor license.”

The motion prevailed and the amendment was adopted.

Evans offered an amendment to H. F. No. 2090.

POINT OF ORDER

Casserly raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Simoneau offered an amendment to H. F. No. 2090, as amended.

POINT OF ORDER

McDonald raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Kempe offered an amendment to H. F. No. 2090, as amended.

POINT OF ORDER

Simoneau raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

H. F. No. 2090, A bill for an act relating to Lake County; validating the issuance of a Sunday on-sale intoxicating liquor license.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 110 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Hoberg	McCarron	Piepho
Ainley	Crandall	Hokanson	McDonald	Redalen
Anderson, B.	Dean	Jacobs	McEachern	Reding
Anderson, D.	Dempsey	Jaros	Mehrkens	Rees
Anderson, G.	Drew	Jennings	Metzen	Reif
Anderson, I.	Eken	Johnson, C.	Minne	Rice
Anderson, R.	Elioff	Johnson, D.	Moe	Rodriguez
Battaglia	Ellingson	Jude	Murphy	Rose
Begich	Evans	Kahn	Nelson	Rothenberg
Berkelman	Ewald	Kaley	Norman	Sarna
Biersdorf	Faricy	Kalis	Novak	Schreiber
Blatz	Friedrich	Kelly	Nysether	Searles
Brinkman	Fritz	Knickerbocker	Olsen	Sieben, H.
Byrne	Fudro	Kostohryz	Osthoff	Sieben, M.
Carlson, D.	Greenfield	Kroening	Otis	Simoneau
Carlson, L.	Halberg	Levi	Patton	Stadum
Casserly	Haukoos	Long	Pehler	Stoa
Clark	Heap	Luknic	Peterson, B.	Stowell
Clawson	Heinitz	Mann	Peterson, D.	Sviggum

Swanson	Valento	Waldorf	Wenzel	Wynia
Tomlinson	Vanasek	Weaver	Wieser	Zubay
Valan	Voss	Welch	Wigley	Spkr. Norton

Those who voted in the negative were:

Aasness	Esau	Laidig	Pleasant	Welker
Albrecht	Fjoslien	Ludeman	Searle	
Den Ouden	Kempe	Niehaus	Sherwood	
Erickson	Kvam	Onnen	Thiede	

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

S. F. No. 2122 was reported to the House.

Peterson, D., moved that S. F. No. 2122 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2237 was reported to the House.

Murphy moved that H. F. No. 2237 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 1708 was reported to the House.

Rice moved that S. F. No. 1708 be re-referred to the Committee on Labor-Management Relations.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Rice and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Clawson	Halberg	Long	Patton
Adams	Corbid	Haukoos	Ludeman	Pehler
Ainley	Crandall	Heap	Luknic	Peterson, B.
Albrecht	Dean	Heinitz	Mann	Peterson, D.
Anderson, B.	Dempsey	Hoberg	McCarron	Piepho
Anderson, D.	Den Ouden	Hokanson	McDonald	Pleasant
Anderson, G.	Drew	Jacobs	McEachern	Prahl
Anderson, I.	Eken	Jaros	Mehrkens	Redalen
Anderson, R.	Elioff	Jennings	Metzen	Reding
Battaglia	Ellingson	Johnson, D.	Minne	Rees
Begich	Erickson	Jude	Munger	Reif
Berglin	Esau	Kahn	Murphy	Rice
Berkelman	Evans	Kaley	Nelsen, B.	Rodriguez
Biersdorf	Ewald	Kalis	Nelsen, M.	Rose
Blatz	Faricy	Kelly	Nelson	Rothenberg
Brinkman	Fjoslien	Kempe	Niehaus	Sarna
Byrne	Forsythe	Kroening	Novak	Schreiber
Carlson, D.	Friedrich	Kvam	Nysether	Searle
Carlson, L.	Fritz	Laidig	Onnen	Searles
Casserly	Fudro	Lehto	Osthoff	Sherwood
Clark	Greenfield	Levi	Otis	Sieben, H.

Sieben, M.	Sviggum	Vanasek	Wenzel	Spkr. Norton
Simoneau	Swanson	Voss	Wieser	
Stadum	Thiede	Weaver	Wigley	
Stoa	Tomlinson	Welch	Wynia	
Stowell	Valento	Welker	Zubay	

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Kaley moved that S. F. No. 1708 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 1362 was reported to the House.

Rees moved that H. F. No. 1362 be returned to General Orders. The motion prevailed.

H. F. No. 1878 was reported to the House.

Kelly moved to amend H. F. No. 1878 as follows:

Page 2, delete lines 9 to 25

Page 4, line 26, delete "8" and insert "7"

Renumber sections accordingly

Further amend the title:

Lines 5 and 6, delete "providing for mandatory uninsured motorist coverage;"

Line 8, delete "65B.49, by"

Line 9, delete "adding a subdivision;"

The motion prevailed and the amendment was adopted.

Sieben, H., moved to amend H. F. No. 1878, as amended, as follows:

Page 3, line 1, after the period, insert:

"Where worker's compensation or medicare benefits paid or payable are primary, the reparation obligor shall make an appropriate rebate or reduction in the premiums of the plan of reparation security. The amount of the rebate or rate reduction shall be not less than the amount of the projected reduction in benefits and claims for which the reparation obligor will be liable on that class of risks. The projected reduction or rebate in benefits and claims shall be based upon sound actuarial principles."

The motion prevailed and the amendment was adopted.

Friedrich was excused from 4:30 p.m. to 5:30 p.m.

H. F. No. 1878, A bill for an act relating to no-fault automobile insurance; coordinating benefits with medicare and workers' compensation; extending eligibility for the assigned claims plan; providing for mandatory uninsured motorist coverage; eliminating certain mandatory offers; amending Minnesota Statutes 1978, Sections 65B.46, Subdivision 2; 65B.61, Subdivisions 1 and 2, and by adding subdivisions; 65B.64, Subdivision 1; repealing Minnesota Statutes 1978, Section 65B.49, Subdivisions 5 and 6.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 61 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Ainley	Fritz	Mann	Reding	Valento
Albrecht	Greenfield	McDonald	Rees	Voss
Anderson, B.	Haukoos	Mehrkens	Reif	Waldorf
Anderson, G.	Heap	Moe	Rose	Weaver
Biersdorf	Heinitz	Munger	Searle	Welker
Blatz	Jennings	Nelsen, B.	Searles	Wieser
Brinkman	Kaley	Nelsen, M.	Sherwood	Wynia
Dean	Kalis	Norman	Stowell	Zubay
Den Ouden	Kelly	Novak	Svigum	Spkr. Norton
Drew	Kostohryz	Nysether	Swanson	
Eken	Kvam	Onnen	Thiede	
Evans	Levi	Pleasant	Tomlinson	
Forsythe	Ludeman	Redalen	Valan	

Those who voted in the negative were:

Aasness	Crandall	Jaros	Murphy	Sarna
Adams	Dempsey	Johnson, C.	Nelson	Schreiber
Anderson, D.	Elioff	Jude	Niehaus	Sieben, H.
Anderson, I.	Ellingson	Kahn	Olsen	Sieben, M.
Battaglia	Erickson	Kempe	Osthoff	Simoneau
Begich	Esau	Knickerbocker	Otis	Stadum
Berglin	Ewald	Kroening	Patton	Stoa
Byrne	Faricy	Laidig	Pehler	Vanasek
Carlson, D.	Fjoslien	Long	Peterson, B.	Welch
Carlson, L.	Fudro	Luknic	Peterson, D.	Wenzel
Casserly	Halberg	McCarron	Piepho	Wigley
Clark	Hoberg	McEachern	Prahl	
Clawson	Hokanson	Metzen	Rice	
Corbid	Jacobs	Minne	Rodriguez	

The bill was not passed, as amended.

Reif was excused from 4:50 p.m. to 5:30 p.m.

H. F. No. 2268, A bill for an act relating to financial institutions; authorizing examinations of certain bank holding com-

panies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; amending Minnesota Statutes 1978, Section 46.24; and Minnesota Statutes, 1979 Supplement, Section 46.04.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Peterson, B., moved that those not voting be excused from voting. The motion prevailed.

There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Nelson	Sherwood
Adams	Eken	Kaley	Niehaus	Sieben, H.
Ainley	Elioff	Kalis	Norman	Sieben, M.
Albrecht	Ellingson	Kelly	Novak	Simoneau
Anderson, B.	Erickson	Kempe	Nysether	Stadum
Anderson, D.	Esau	Knickerbocker	Olsen	Stoa
Anderson, G.	Evans	Kostohryz	Onnen	Stowell
Anderson, I.	Ewald	Kroening	Osthoff	Sviggum
Anderson, R.	Faricy	Kvam	Otis	Swanson
Battaglia	Fjoslien	Laidig	Patton	Thiede
Begich	Forsythe	Lehto	Pehler	Tomlinson
Berglin	Fritz	Long	Peterson, B.	Valan
Berkelman	Fudro	Ludeman	Peterson, D.	Valento
Biersdorf	Greenfield	Luknic	Piepho	Vanasek
Blatz	Halberg	Mann	Pleasant	Waldorf
Brinkman	Haukoos	McCarron	Prahl	Weaver
Byrne	Heap	McDonald	Redalen	Welch
Carlson, D.	Heinitz	McEachern	Reding	Welker
Carlson, L.	Hoberg	Mehrkens	Rees	Wenzel
Casserly	Hokanson	Metzen	Rice	Wieser
Clark	Jacobs	Minne	Rodriguez	Wigley
Clawson	Jaros	Moe	Rose	Wynia
Corbid	Jennings	Munger	Rothenberg	Zubay
Dean	Johnson, C.	Murphy	Sarna	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	
Den Ouden	Jude	Nelsen, M.	Searles	

The bill was passed and its title agreed to.

H. F. No. 2320 was reported to the House.

Long moved that H. F. No. 2320 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2429, A bill for an act relating to usury; changing the penalty for usurious loans made by state banks and savings banks; amending Minnesota Statutes 1978, Sections 334.02; 334.03; and Chapter 48, by adding a section.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Johnson, C.	Murphy	Schreiber
Adams	Den Ouden	Johnson, D.	Nelsen, B.	Sherwood
Ainley	Drew	Jude	Nelsen, M.	Sieben, H.
Albrecht	Eken	Kahn	Nelson	Sieben, M.
Anderson, B.	Elioff	Kaley	Niehaus	Simoneau
Anderson, D.	Ellingson	Kalis	Norman	Stadum
Anderson, G.	Erickson	Kempe	Novak	Stoa
Anderson, I.	Esau	Knickerbocker	Nysether	Stowell
Anderson, R.	Evans	Kostohryz	Olsen	Sviggum
Battaglia	Ewald	Kroening	Onnen	Swanson
Begich	Faricy	Laidig	Osthoff	Thiede
Berglin	Fjoslien	Lehto	Otis	Tomlinson
Berkelman	Forsythe	Levi	Patton	Valan
Biersdorf	Fritz	Long	Pehler	Valento
Blatz	Fudro	Ludeman	Peterson, B.	Vanasek
Brinkman	Greenfield	Luknic	Peterson, D.	Waldorf
Byrne	Halberg	Mann	Piepho	Weaver
Carlson, D.	Haukoos	McCarron	Pleasant	Welch
Carlson, L.	Heap	McDonald	Redalen	Welker
Casserly	Heinitz	McEachern	Reding	Wenzel
Clark	Hoberg	Mehrkens	Rees	Wieser
Clawson	Hokanson	Metzen	Rice	Wigley
Corbid	Jacobs	Minne	Rodriguez	Wynia
Crandall	Jaros	Moe	Rothenberg	Zubay
Dean	Jennings	Munger	Sarna	Spkr. Norton

Those who voted in the negative were:

Prahl

The bill was passed and its title agreed to.

S. F. No. 1166 was reported to the House.

Osthoff moved that S. F. No. 1166 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 1054, A bill for an act relating to Morrison County; allowing free, nonsubscription publications to qualify as legal newspapers in Morrison County.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Johnson, C.	Murphy	Schreiber
Adams	Drew	Johnson, D.	Nelsen, B.	Sherwood
Ainley	Eken	Jude	Nelsen, M.	Sieben, H.
Anderson, B.	Elioff	Kahn	Nelson	Sieben, M.
Anderson, G.	Ellingson	Kaley	Nichaus	Simoneau
Anderson, I.	Erickson	Kalis	Norman	Stadum
Anderson, R.	Esau	Kempe	Novak	Stowell
Battaglia	Evans	Knickerbocker	Nysether	Sviggum
Begich	Ewald	Kostohryz	Olsen	Swanson
Berglin	Faricy	Kroening	Osthoff	Tomlinson
Berkelman	Fjoslien	Laidig	Otis	Valan
Biersdorf	Forsythe	Lehto	Patton	Vanasek
Blatz	Fritz	Levi	Pehler	Voss
Brinkman	Fudro	Long	Peterson, D.	Waldorf
Byrne	Halberg	Ludeman	Piepho	Weaver
Carlson, D.	Haukoos	Luknic	Prahl	Weich
Carlson, L.	Heap	Mann	Redalen	Welker
Casserly	Heinitz	McCarron	Reding	Wenzel
Clark	Hoberg	McDonald	Rees	Wieser
Clawson	Hokanson	Mehrkens	Rice	Wigley
Corbid	Jacobs	Metzen	Rodriguez	Wynia
Crandall	Jaros	Minne	Rose	Zubay
Dean	Jennings	Munger	Sarna	Spkr. Norton

Those who voted in the negative were:

Albrecht	Dempsey	McEachern	Peterson, B.	Thiede
Anderson, D.	Kvam	Onnen	Pleasant	

The bill was passed and its title agreed to.

CALL OF THE HOUSE LIFTED

Knickerbocker moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Pehler was excused while in conference committee.

S. F. No. 744, A bill for an act relating to automobile insurance; regulating damage appraisals, adjustments and related repair practices; prohibiting certain acts by insurers and adjusters and appraisers; amending Minnesota Statutes 1978, Section 72B.02, by adding a subdivision; and Chapter 72B, by adding sections.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Aasness	Albrecht	Anderson, D.	Anderson, I.	Battaglia
Adams	Anderson, B.	Anderson, G.	Anderson, R.	Begich

Berglin	Fjoslien	Kostohryz	Nysether	Simoneau
Berkelman	Forsythe	Kroening	Olsen	Stadum
Biersdorf	Fritz	Kvam	Onnen	Stoa
Blatz	Fudro	Laidig	Osthoff	Stowell
Brinkman	Greenfield	Lehto	Otis	Swiggum
Byrne	Halberg	Levi	Patton	Swanson
Carlson, D.	Haukoos	Long	Peterson, B.	Thiede
Carlson, L.	Heap	Luknic	Peterson, D.	Tomlinson
Casserly	Heinitz	Mann	Pleasant	Valan
Clark	Hoberg	McCarron	Prahl	Valento
Clawson	Hokanson	McDonald	Redalen	Vanasek
Corbid	Jacobs	McEachern	Reding	Voss
Crandall	Jaros	Mehrkens	Rees	Waldorf
Dean	Jennings	Metzen	Rice	Weaver
Dempsey	Johnson, C.	Minne	Rodriguez	Welch
Den Ouden	Johnson, D.	Moe	Rose	Wenzel
Eken	Jude	Munger	Rothenberg	Wieser
Elioff	Kahn	Murphy	Sarna	Wigley
Ellingson	Kaley	Nelsen, B.	Schreiber	Wynia
Esau	Kalis	Nelsen, M.	Searles	Zubay
Evans	Kelly	Nelson	Sherwood	Spkr. Norton
Ewald	Kempe	Norman	Sieben, H.	
Faricy	Knickerbocker	Novak	Sieben, M.	

Those who voted in the negative were:

Ainley	Drew	Erickson	Ludeman	Welker
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The bill was passed and its title agreed to.

S. F. No. 1293, A bill for an act relating to insurance; providing for certain group coverages to be continued; amending Minnesota Statutes 1978, Chapter 60A, by adding a section.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Casserly	Fritz	Kempe	Murphy
Adams	Clark	Fudro	Kostohryz	Nelsen, B.
Ainley	Clawson	Greenfield	Kroening	Nelsen, M.
Albrecht	Corbid	Halberg	Kvam	Nelson
Anderson, B.	Crandall	Haukoos	Laidig	Niehaus
Anderson, D.	Dean	Heap	Lehto	Norman
Anderson, G.	Dempsey	Heinitz	Levi	Novak
Anderson, I.	Den Ouden	Hoberg	Long	Nysether
Anderson, R.	Drew	Hokanson	Ludeman	Olsen
Battaglia	Eken	Jacobs	Luknic	Onnen
Begich	Elioff	Jaros	Mann	Osthoff
Berglin	Ellingson	Jennings	McCarron	Otis
Berkelman	Erickson	Johnson, C.	McDonald	Patton
Biersdorf	Esau	Johnson, D.	McEachern	Peterson, B.
Blatz	Evans	Jude	Mehrkens	Peterson, D.
Brinkman	Ewald	Kahn	Metzen	Pleasant
Byrne	Faricy	Kaley	Minne	Prahl
Carlson, D.	Fjoslien	Kalis	Moe	Redalen
Carlson, L.	Forsythe	Kelly	Munger	Reding

Rees	Searle	Stowell	Vanasek	Wieser
Rice	Searles	Sviggum	Voss	Wigley
Rodriguez	Sherwood	Swanson	Waldorf	Wynia
Rose	Sieben, M.	Thiede	Weaver	Zubay
Rothenberg	Simoneau	Tomlinson	Welch	Spkr. Norton
Sarna	Stadum	Valan	Welker	
Schreiber	Stoa	Valento	Wenzel	

The bill was passed and its title agreed to.

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1865 and H. F. No. 1925, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Crandall moved that the rules be so far suspended that S. F. No. 1865 be substituted for H. F. No. 1925 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1619, A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Section 3; removing the requirement that notaries public be approved by the senate.

Reported the same back with the following amendments:

Page 2, after line 15, insert a new section to read:

"Sec. 3. Minnesota Statutes 1978, Section 359.01, is amended to read:

359.01 [COMMISSION.] The governor may appoint and commission as notaries public (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE,) as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as he deems necessary. The fee for each commission shall not exceed \$10, and shall be paid to the governor's private secretary."

Further amend the title:

Page 1, line 5, after "senate" insert "; amending Minnesota Statutes 1978, Section 359.01"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1655, A bill for an act relating to pollution; recognizing the extent and severity of the problem of acid precipitation; appropriating funds and designating state agencies and departments to conduct activities designed to identify, control and abate acid precipitation.

Reported the same back with the following amendments:

Page 1, line 19, delete the comma and insert "and"

Page 1, line 20, delete "and educational"

Page 2, line 1, after the second comma, insert "and"

Page 2, line 4, delete ", and educate the public by" and insert a period

Page 2, delete lines 5 and 6

Page 2, line 8, delete ", board,"

Page 2, line 10, delete "and public education"

Page 2, line 11, delete "programs,"

Page 2, line 15, delete ", as well as educating the general public" and insert a colon

Page 2, delete line 16

Page 2, line 18, in the blank insert "52,283"

Page 2, line 20, in the blank insert "24,287"

Page 2, line 22, in the blank insert "23,430"

Page 2, line 22, delete the semi-colon and insert a period

Page 2, after line 22, insert "The agency and departments are each authorized to increase their complement by one full-time position."

Page 2, delete lines 23 to 26

Page 2, line 31, delete the comma and insert "and"

Page 2, line 32, delete ", and reporting to" and insert ". It is a condition of acceptance of the appropriations made by this section that each agency or department receiving an appropriation shall submit work programs and semi-annual progress reports in a form determined by the legislative commission on Minnesota resources. None of the monies provided in this section may be expended unless the commission has approved the pertinent work program."

Page 2, delete line 33

Page 3, delete lines 1 and 2

Page 3, after line 7, insert a new section to read:

"Sec. 3. The Minnesota environmental education board shall conduct a program of public education on acid precipitation. The board shall report on the progress of the program to the respective chairmen of the house committee on environment and natural resources and the senate committee on agriculture and natural resources by January 15, 1981."

Renumber remaining section

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2023, A bill for an act relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring hazardous waste management planning and development; establishing procedures for the review and approval of permits for waste facilities; authorizing debt; appropriating money; amending Minnesota Statutes 1978, Sections 116.06, Subdivisions 9, 10, 13, and by adding subdivisions; 116.07, Subdivisions 2, 4, 4a, and by adding subdivisions; 116.081, Subdivision 1; 116.101; 116.41; 400.03, Subdivision 1; 400.04; 400.06; 400.07; 400.13; 400.16; 400.161; 473.-121, by adding a subdivision; 473.149; 473.502; 473.516; 473.801, Subdivision 1; 473.802; 743.803; 473.811; 473.813; 473.823, Subdivision 3, and by adding a subdivision; Chapter 400, by adding

a section; and Chapter 473, by adding sections; repealing Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2 to 7; 473.121, Subdivisions 27 to 31c; 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 728, Section 7.

Reported the same back with the following amendments:

Page 8, line 22, delete "*and impact*"

Page 8, line 30, delete "*and the public costs of evaluating*" and insert "*which provided funds used to acquire the property and to evaluate*"

Page 17, line 23, delete "*shall*" and insert "*may*"

Page 21, line 24, delete "*and approve*"

Page 22, after line 1, insert:

"Subd. 5. The commission shall study alternative methods of insuring that an adequate supply of solid waste will be available to resource recovery facilities and report to the appropriate policy committees of the house of representatives and senate before January 1, 1982. The commission shall, at a minimum, consider the relative merits of the required use provisions described in article VIII, section 9, article IX, section 8, and article X, section 14, and other mechanisms designed to facilitate resource recovery by raising costs of landfill alternatives or lowering costs of disposal at resource recovery facilities."

Renumber the following subdivision accordingly

Page 49, line 6, delete "*Commencing July 1, 1981,*"

Page 49, line 11, after "*agency*" insert "*pursuant to rules promulgated under chapter 15*"

Page 49, line 13, delete "*The*"

Page 49, delete lines 14 to 15

Page 49, line 16, delete "*area.*"

Page 49, line 17, delete "*existing agency rules and*"

Page 52, line 6, delete "*Commencing July 1, 1981,*"

Page 53, line 7, after "*provide*" insert "*funds for*"

Page 53, line 8, delete "*approved*" and insert "*engaged*"

Page 54, line 9, delete "*the money*"

Page 54, line 10, delete "*appropriated for the demonstration*"

Page 54, line 10, after "*program*" insert "*funds, excluding those available under sections 6 to 8,*"

Page 55, line 22, delete "GRANTS AND"

Page 55, line 22, delete "Of" and insert "The"

Page 55, line 24, delete ", at least 70 percent"

Page 55, line 25, delete everything after "*loans*"

Page 55, delete lines 26 to 29 and insert a period

Page 55, line 31, delete "*grant or*"

Page 56, line 7, delete "*grant or*"

Page 58, line 12, delete "*and impact*"

Page 58, line 13, delete "*granted or*"

Page 59, line 2, after "*agency*" insert "*or board*"

Page 59, line 14, after "*agency*" insert "*or board*"

Page 62, line 11, delete "\$100,000,000" and insert "\$3,800,000 for the purpose of the capital assistance program under article VI, sections 6 and 8, and, upon request of the board, to sell such bonds in the amount of up to \$6,200,000 for the purpose of acquiring real property and interests in real property for hazardous waste facility sites and surrounding buffer areas as authorized by article II, section 3, subdivision 4. The bonds shall be sold"

Page 62, line 14, delete everything after the period

Page 62, delete lines 15 to 19

Page 62, line 20, delete everything before "The"

Page 62, line 26, delete "*the loans and grants*" and insert "*disbursements*"

Page 62, line 27, delete "*the loans and grants*" and insert "*disbursements*"

Page 62, line 29, after "*agency*" insert "*and board*"

Page 90, line 16, delete "3" and insert "1b"

Page 91, line 7, delete "2" and insert "1a"

Page 91, line 13, delete "2" and insert "1a"

Page 91, line 16, delete "2" and insert "1a"

Page 92, line 8, delete "3" and insert "1b"

Page 92, line 32, delete "15" and insert "16"

Page 93, line 6, delete "15" and insert "16"

Page 94, line 18, delete "7" and insert "2e"

Page 94, line 21, delete "15" and insert "16"

Page 94, line 21, delete "13" and insert "14"

Page 94, line 29, delete "5" and insert "2c"

Page 94, line 30, delete "6" and insert "2d"

Page 96, line 25, delete "9" and insert "4"

Page 100, line 2, delete "10" and insert "5c"

Page 100, line 20, delete "13" and insert "14"

Page 100, line 21, delete "16" and insert "17"

Page 107, line 19, delete "15" and insert "16"

Page 110, line 1, delete "13" and insert "14"

Page 110, line 8, delete "13" and insert "14"

Page 112, line 29, delete "13" and insert "14"

Page 112, line 29, delete "16" and insert "17"

Page 113, line 8, delete "16" and insert "17"

Page 113, lines 8, 13, and 30, delete "13" and insert "14"

Page 113, line 13, delete "16" and insert "17"

Page 113, line 30, delete "16" and insert "17"

Page 114, line 12, delete "7" and insert "2e"

Page 114, line 13, delete "15" and insert "16"

Page 114, line 17, delete "12" and insert "13"

Page 123, line 25, delete "15" and insert "16"

Page 124, line 3, delete "15" and insert "16"

Page 124, line 7, delete "15" and insert "16"

Page 124, line 9, delete "7" and insert "2e"

Page 124, line 17, delete "7" and insert "2e"

Page 144, line 5, to page 146, line 2, delete sections 1 to 6 and insert:

"Section 1. Subdivision 1. The joint committee on solid and hazardous waste is abolished. The amount remaining from the appropriation to the joint committee, in Laws 1979, Chapter 333, Section 2, Subdivision 3, shall be reappropriated in accordance with subdivisions 2 and 3.

Subd. 2. Of the amount remaining on the effective date of this act, \$65,000 shall be available for expenditure by the legislative commission established by article II, section 12; \$10,000 shall be reappropriated to the commissioner of economic development for preparation of the reports to the waste management board required in article II, section 6, subdivisions 1 and 2; \$5,000 shall be reappropriated to the director of the state planning agency for preparation of the report to the board required in article II, section 6, subdivision 3; and \$15,000 shall be reappropriated to the Minnesota geologic survey for preparation of a report to the board, by July 1, 1980, assessing the geologic and hydrogeologic suitability of land in the state for hazardous waste facility search areas and sites required to be selected under article II, section 7, and article III, section 5. The report by the geologic survey shall be based on readily available data and shall be conducted in consultation with the United States geologic survey, the pollution control agency, and the departments of health and natural resources.

Subd. 3. The amount remaining on June 30, 1980, shall be reappropriated and added to the amount appropriated to the waste management board in section 2.

Sec. 2. [WASTE MANAGEMENT BOARD.] *Subdivision 1. For the fiscal year ending June 30, 1981, the sum of \$592,000 is appropriated from the general fund to the waste management*

board established in article II, section 1, for the purposes of general operations and management.

Subd. 2. The sum of \$6,200,000 is appropriated from the Minnesota state waste management fund established in article VII to the waste management board for the acquisition of sites and buffer areas for hazardous waste facilities pursuant to article II, section 3, subdivision 4. Of this amount, not more than \$1,200,000 is available for expenditure before June 30, 1981, for costs of staff and independent professional services needed for the selection and acquisition of such sites and buffer areas.

Subd. 3. The approved complement of the board shall be 12 persons. The annual salary of the chairperson of the board, who shall serve full-time, shall be \$35,000. Persons paid by an appropriation in this section shall be in the unclassified service and their continued employment shall be contingent upon the availability of money from the appropriation. When the appropriation has been expended, their positions shall be cancelled and the approved complement of the agency reduced accordingly.

Sec. 3. [POLLUTION CONTROL AGENCY.] *Subdivision 1. For the fiscal year ending June 30, 1981, the sum of \$408,000 is appropriated from the general fund to the pollution control agency for the purpose of carrying out its responsibilities under articles II, III, IV, VI, VII, VIII, IX, X, and XI.*

Subd. 2. For the fiscal year ending June 30, 1981, the sum of \$1,717,000 is appropriated from the general fund to the agency for the purpose of implementing articles V and VI. Of this amount, \$726,000 shall be available for use by the agency for planning assistance and demonstration grants pursuant to articles V and VI, of which no more than 20 percent shall be expended for administration and technical and professional services needed for the program. \$991,000 shall be transferred and reappropriated to the metropolitan council for use in implementing the provisions of chapter 473 and article X. Of the amount transferred to the council, no more than 5 percent shall be available for administration, no more than \$65,000 shall be available for preparation of reports by the council required by article X, section 2, subdivisions 2a and 2c, and the remainder shall be used for making grants to metropolitan counties for solid waste inventories and plans required under chapter 473 and article XI. The appropriation in this subdivision shall be expended only if federal general revenue sharing funds are received in the approximate amount of \$34,000,000 in the federal fiscal year 1981.

Subd. 3. The sum of \$3,800,000 is appropriated from the Minnesota state waste management fund established in article VII to the pollution control agency for the purposes of loans pursu-

ant to the resource recovery facility demonstration program under article VI, sections 6 to 8. Of this amount, not more than \$100,000 may be used for staff and technical and professional services needed for the loan program.

Subd. 4. The approved complement of the agency shall be increased by 14 positions four of which shall be contingent on the availability of federal general revenue sharing funds pursuant to subdivision 2. The positions shall be in the unclassified service and shall be contingent on the availability of money from the appropriation. When the appropriation has been expended, the positions shall be cancelled and the approved complement of the agency reduced accordingly.

Sec. 4. [DEPARTMENT OF ADMINISTRATION.] For the fiscal year ending June 30, 1981, the sum of \$80,000 is appropriated from the general fund to the general services revolving fund, resource recovery account, to be used by the commissioner of administration for the implementation and operation of the state government resource recovery program under article II, section 12. The complement of the department is increased by three positions. Two of these positions shall be in the unclassified service and shall be contingent on the availability of money from the appropriation. When the appropriation has been expended, these two positions shall be cancelled and the approved complement of the agency reduced accordingly."

Page 147, after line 8, insert a section to read:

"Sec. 2. [EFFECTIVE DATE.] Except as otherwise provided in this section, articles I to XIII are effective the day following final enactment. Article VIII, section 9, article IX, section 8, and article X, section 14, are effective July 1, 1982."

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2045, A bill for an act relating to economic development; creating a small business finance agency with authority to sell tax exempt revenue bonds to provide loans for small business projects; appropriating money.

Reported the same back with the following amendments:

Page 8, line 19, delete "\$100,000,000" and insert "\$30,000,000"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2211, A bill for an act relating to the environment; altering the procedure for environmental review; providing for alternative forms of environmental review; appropriating money; amending Minnesota Statutes 1978, Section 116D.04, by adding subdivisions; repealing Minnesota Statutes 1978, Section 116D.04, Subdivisions 1, 2, 3, 4, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 1a. [DEFINITIONS.] For the purposes of sections 116D.01 to 116D.07, the following terms have the meanings given to them in this subdivision.

(a) "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

(b) "Pollution, impairment or destruction" has the meaning given it in section 116B.02, subdivision 5.

(c) "Environmental assessment worksheet" means a brief document which is designed to set out the basic facts necessary to determine whether an environmental impact statement is required for a proposed action.

(d) "Governmental action" means activities, including projects wholly or partially conducted, permitted, assisted, financed, regulated or approved by units of government including the federal government.

(e) "Governmental unit" means any state agency and any general or special purpose unit of government in the state including, but not limited to, watershed districts organized under chapter 112, counties, towns, cities, port authorities and housing authorities, but not including courts, school districts and regional development commissions other than the metropolitan council.

Sec. 2. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 2a. Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact

statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section.

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30 day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chairman may extend the 15 day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 25 individuals, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chairman of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chairman may extend the 15 day period by not more than 15 additional days upon request of the responsible governmental unit.

(d) *The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.*

(e) *An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.*

(f) *Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.*

(g) *An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.*

Sec. 3. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 3a. Within 90 days after final approval of an environmental impact statement, final decisions shall be made by the appropriate governmental units on those permits which were identified as required and for which information was developed concurrently with the preparation of the environmental impact statement. Provided, however, that the 90 day period may be extended where a longer period is required by federal law or state statute or is consented to by the permit applicant. The

permit decision shall include the reasons for the decision, including any conditions under which the permit is issued, together with a final order granting or denying the permit.

Sec. 4. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 4a. The board shall by rule identify alternative forms of environmental review which will address the same issues and utilize similar procedures as an environmental impact statement in a more timely or more efficient manner to be utilized in lieu of an environmental impact statement.

Sec. 5. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 5a. The board shall, by January 1, 1981, promulgate rules in conformity with this chapter and the provisions of chapter 15, establishing:

(a) The governmental unit which shall be responsible for environmental review of a proposed action;

(b) The form and content of environmental assessment worksheets;

(c) A scoping process in conformance with subdivision 2a, clause (e);

(d) A procedure for identifying during the scoping process the permits necessary for a proposed action and a process for coordinating review of appropriate permits with the preparation of the environmental impact statement;

(e) A standard format for environmental impact statements;

(f) Standards for determining the alternatives to be discussed in an environmental impact statement;

(g) Alternative forms of environmental review which are acceptable pursuant to subdivision 4a;

(h) A model ordinance which may be adopted and implemented by local governmental units in lieu of the environmental impact statement process required by this section, providing for an alternative form of environmental review where an action does not require a state agency permit and is consistent with an applicable comprehensive plan. The model ordinance shall provide for adequate consideration of appropriate alternatives, and shall ensure that decisions are made in accordance with the policies and purposes of this act;

(i) *Procedures to reduce paperwork and delay through inter-governmental cooperation and the elimination of unnecessary duplication of environmental reviews;*

(j) *Procedures for expediting the selection of consultants by the governmental unit responsible for the preparation of an environmental impact statement; and*

(k) *Any additional rules which are reasonably necessary to carry out the requirements of this section.*

Sec. 6. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 6a. Prior to the preparation of a final environmental impact statement, the governmental unit responsible for the statement shall consult with and request the comments of every governmental office which has jurisdiction by law or special expertise with respect to any environmental effect involved. Copies of the drafts of such statements and the comments and views of the appropriate offices shall be made available to the public. The final detailed environmental impact statement and the comments received thereon shall precede final decisions on the proposed action and shall accompany the proposal through an administrative review process.

Sec. 7. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 10. Decisions on the need for an environmental assessment worksheet, the need for an environmental impact statement and the adequacy of an environmental impact statement may be reviewed by a declaratory judgment action in the district court of the county wherein the proposed action, or any part thereof, would be undertaken. Judicial review under this section shall be initiated within 30 days after the governmental unit makes the decision, and a bond may be required under section 562.02 unless at the time of hearing on the application for the bond the plaintiff has shown that the claim has sufficient possibility of success on the merits to sustain the burden required for the issuance of a temporary restraining order. Nothing in this section shall be construed to alter the requirements for a temporary restraining order or a preliminary injunction pursuant to the Minnesota Rules of Civil Procedure for District Courts. The Board may initiate judicial review of decisions referred to herein and may intervene as of right in any proceeding brought under this subdivision.

Sec. 8. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 11. If the board or governmental unit which is required to act within a time period specified in this section fails to so act,

any person may seek an order of the district court requiring the board or governmental unit to immediately take the action mandated by subdivisions 2a and 3a.

Sec. 9. Rules adopted under the authority of section 116D.04 which are in effect on the effective date of this act shall remain in effect until the rules required by this section become effective.

Sec. 10. [REPEALER.] Minnesota Statutes 1978, Section 116D.04, Subdivisions 1, 2, 3, 4 and 5 are repealed.

Sec. 11. [EFFECTIVE DATE.] Sections 1 to 10 are effective the day following final enactment."

Further, amend the title as follows:

Page 1, line 5, delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2353, A bill for an act relating to water resources; continuing the water planning board; changing its membership and duties; appropriating money; amending Minnesota Statutes 1978, Section 105.401; and Laws 1979, Chapter 333, Section 31, Subdivision 5.

Reported the same back with the following amendments:

Page 4, line 19, after "account" insert "and the provisions of section 86.72, subdivision 1, do not apply"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 2475, A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 12; removing references to legislative days.

Reported the same back with the following amendments:

Page 1, lines 17 and 18, reinstate the stricken language

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1655, 2023, 2045, 2211, and 2353 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 1865 was read for the second time.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1781, 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 school districts, the commissioner of education, the department of education and others; aid for education of pupils of limited English proficiency; requiring the establishment of local policies to minimize chemical use problems; appropriating money; amending Minnesota Statutes 1978, Sections 120.095, Subdivision 6; 120.10, Subdivision 2; 121.88, by adding a subdivision; 122.22, Subdivisions 2 and 4; 122.23, Subdivisions 9 and 10; 122.25, Subdivision 1; 122.531, by adding subdivisions; 123.11, Subdivision 7; 123.36, by adding a subdivision; 123.39, Subdivision 3; 123.932, Subdivision 9, and by adding a subdivision; 124.20; 124.214, Subdivision 2; 124.572, Subdivision 7; 126.07; 126.36, Subdivision 3; 126.52, Subdivision 5, and by adding a subdivision; 126.54, Subdivisions 5 and 6; 127.09; 127.11; 127.21; 134.03; 134.08; 275.125, Subdivisions 5 and 5a; 354.05, Subdivision 2; Chapter 124, by adding a section; Chapter 125, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 120.075, Subdivision 4, and by adding a subdivision; 121.912, Subdivision 1; 122.541, Subdivision 5; 123.35, Subdivision 15; 124.01; 124.11, Subdivisions 2a and 2b, and by adding a subdivision; 124.19, Subdivision 4; 124.212, Subdivision 7d; 124.223; 124.225; 124.245, Subdivisions 1 and 2; 124.247, Subdivisions 3 and 4; 126.54, Subdivision 1; 124.561, Subdivision 3a; 124.562, Subdivisions 2, 3 and 4; 124.5621, Subdivision 11; 124.5624, Subdivision 6; 124.-

5625; 124.565, Subdivision 6; 124.566; 124.572, Subdivision 2; 275.125, Subdivisions 2a, 2b, 7a, 7b, 11a and 20; 353.01, Subdivision 2b; 354A.011, Subdivision 27; 465.72; Laws 1979, Chapter 69, Sections 2 and 5; Chapter 334, Article VI, Section 35, Subdivision 9; Article VIII, Section 29; repealing Minnesota Statutes 1978, Sections 122.531, Subdivision 3; 125.61, as amended; 126.31 to 126.35; 126.36, Subdivisions 5 and 6; 126.37; 126.38; 126.39, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8 and 9; 126.40, Subdivisions 1 and 2; 126.41, Subdivisions 2, 3, 4, 5, 6 and 7; 126.42; 126.52, Subdivisions 1, 2, 3, 4, 6 and 7; 127.22; Minnesota Statutes, 1979 Supplement, Sections 124.222, Subdivision 3; 126.39, Subdivision 10; 126.41, Subdivision 1; 126.52, Subdivision 10; Laws 1979, Chapter 334, Article V, Section 29.

The Senate has appointed as such committee Messrs. Merriam, Anderson, Dunn, Hughes and Dieterich.

House File No. 1781 is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1415.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1415, A bill for an act relating to taxation; clarifying the taxable status of Title II property owned by a non-profit entity; eliminating obsolete language; increasing the assessment ratio applied to housing for elderly or low and moderate income persons financed by the farmers home administration; amending Minnesota Statutes 1978, Section 273.13, Subdivision 17b; and Minnesota Statutes, 1979 Supplement, Sections 272.02, Subdivision 1; and 273.115, Subdivisions 1, 2, 3 and 6.

The bill was read for the first time.

Casserly moved that S. F. No. 1415 and H. F. No. 1255, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SPECIAL ORDERS

S. F. No. 1900, A bill for an act relating to financial institutions; authorizing certain additional facilities for banks; amending Minnesota Statutes 1978, Section 47.52.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 94 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kahn	Nelson	Simoneau
Adams	Evans	Kelly	Norman	Stadum
Anderson, B.	Ewald	Kempe	Novak	Stoa
Anderson, G.	Faricy	Knickerbocker	Nysether	Stowell
Anderson, I.	Forsythe	Kvam	Olsen	Swanson
Anderson, R.	Fritz	Laidig	Onnen	Thiede
Battaglia	Fudro	Lehto	Otis	Tomlinson
Berkelman	Greenfield	Levi	Peterson, B.	Valan
Biersdorf	Halberg	Ludeman	Peterson, D.	Valento
Blatz	Haukoos	Luknic	Piepho	Voss
Byrne	Heap	Mann	Pleasant	Waldorf
Carlson, L.	Heinitz	McCarron	Redalen	Weaver
Clark	Hoberg	McDonald	Rees	Welch
Crandall	Hokanson	McEachern	Rose	Welker
Dean	Jacobs	Mehrkens	Rothenberg	Wenzel
Dempsey	Jaros	Munger	Searle	Wigley
Den Ouden	Jennings	Murphy	Searles	Zubay
Drew	Johnson, D.	Nelsen, B.	Sherwood	Spkr. Norton
Ellingson	Jude	Nelsen, M.	Sieben, M.	

Those who voted in the negative were:

Albrecht	Corbid	Kalis	Osthoff	Svigum
Anderson, D.	Elioff	Kroening	Prahl	Wieser
Brinkman	Esau	Metzen	Reding	
Clawson	Fjoslien	Minne	Rice	

The bill was passed and its title agreed to.

S. F. No. 1630, A bill for an act relating to the City of Minneapolis; authorizing the establishment of a detached banking facility.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Berglin	Corbid	Esau	Haukoos
Adams	Berkelman	Crandall	Evans	Heap
Ainley	Biersdorf	Dean	Ewald	Heinitz
Anderson, B.	Blatz	Dempsey	Faricy	Hoberg
Anderson, D.	Brinkman	Den Ouden	Fjoslien	Hokanson
Anderson, G.	Byrne	Drew	Forsythe	Jacobs
Anderson, I.	Carlson, L.	Eken	Fritz	Jaros
Anderson, R.	Casserly	Elioff	Fudro	Jennings
Battaglia	Clark	Ellingson	Greenfield	Johnson, C.
Begich	Clawson	Erickson	Halberg	Johnson, D.

Jude	McCarron	Nysether	Rothenberg	Valento
Kahn	McDonald	Olsen	Sarna	Vanasek
Kelly	McEachern	Onnen	Searles	Voss
Kempe	Mehrkens	Otis	Sherwood	Waldorf
Knickerbocker	Metzen	Patton	Sieben, H.	Weaver
Kostohryz	Minne	Peterson, B.	Sieben, M.	Welch
Kroening	Moe	Peterson, D.	Simoneau	Welker
Kvam	Munger	Piepho	Stadum	Wenzel
Laidig	Murphy	Pleasant	Stoa	Wieser
Lehto	Nelsen, B.	Redalen	Stowell	Wigley
Levi	Nelsen, M.	Reding	Sviggum	Wynia
Long	Nelson	Rees	Swanson	Zubay
Ludeman	Niehaus	Rice	Thiede	Spkr. Norton
Luknic	Norman	Rodriguez	Tomlinson	
Mann	Novak	Rose	Valan	

The bill was passed and its title agreed to.

S. F. No. 1734 was reported to the House.

Carlson, D., moved to amend S. F. No. 1734, as follows:

Page 34, following line 17, insert:

"Sec. 35. Minnesota Statutes 1978, Chapter 35, is amended by adding a section to read:

[35.251] [ANAPLASMOSIS TESTING.] *Subdivision 1. All breeding cattle entering Minnesota shall have a health certificate evidencing a negative test for anaplasmosis conducted at a state or federal laboratory within 30 days of entry. Cattle not so certified shall be immediately quarantined and tested for anaplasmosis at the expense of the cattle owner. Cattle having a positive reaction to the anaplasmosis test shall remain quarantined until testing free of anaplasmosis or be slaughtered. An anaplasmosis test shall not be required of steers, cattle shipped directly to a slaughtering establishment, cattle sent to a quarantine feed lot, and other cattle excepted by rule of the livestock sanitary board. The livestock sanitary board is authorized to adopt rules to implement the provisions of this section.*

Subd. 2. This section is effective January 1, 1981 except that the provision authorizing the livestock sanitary board to adopt rules is effective the day following final enactment."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 5, after the semicolon insert "requiring anaplasmosis testing of livestock;"

Page 1, line 15, delete "and" and after the semicolon insert "and Chapter 35, by adding a section;"

The motion prevailed and the amendment was adopted.

S. F. No. 1734, A bill for an act relating to agriculture; renaming the livestock sanitary board; repealing obsolete language; regulating treatment of diseased animals; eliminating certain local boards; providing a penalty; amending Minnesota Statutes 1978, Sections 17A.04, Subdivision 6; 29.051; 29.061; 29.081; 35.01, Subdivisions 1 and 2; 35.02, Subdivision 1; 35.03; 35.05; 35.06; 35.063; 35.065; 35.08; 35.09; 35.10; 35.11; 35.12; 35.13; 35.15; 35.16; 35.245; 35.67; 35.68; 35.695; 35.70, Subdivisions 1, 3 and 4; 35.71, Subdivisions 3 and 7; 35.81; 35.82; 35.822; 35.830; 35.831; 346.26; 347.32; 347.33; 347.34; 347.35; 347.37; 347.38; and 347.39; repealing Minnesota Statutes 1978, Sections 35.01, Subdivisions 3, 4, 5, 6 and 7; 35.07; 35.131; 35.132; 35.133; 35.134; 35.135; 35.136; 35.137; 35.17; 35.18; 35.19; 35.20; 35.21; 35.22; 35.23; 35.24; 35.25; 35.26; 35.27; 35.28; 35.29; 35.30; 35.31; 35.32; 35.33; 35.34; 35.35; 35.40; 35.41; 35.42; 35.43; 35.44; 35.45; 35.46; 35.47; 35.48; 35.49; 35.50; 35.51; 35.55; 35.56; 35.57; 35.58; 35.60; 35.605; 35.70, Subdivisions 2, 5, 6 and 8; 35.73, Subdivision 2; and 35.821, Subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Nelsen, M.	Searle
Adams	Eken	Kahn	Nelson	Searles
Ainley	Elioff	Kaley	Niehaus	Sherwood
Albrecht	Ellingson	Kelly	Norman	Sieben, M.
Anderson, B.	Erickson	Kempe	Novak	Simoneau
Anderson, D.	Esau	Knickerbocker	Nysether	Stadum
Anderson, G.	Evans	Kostohryz	Olsen	Stoa
Anderson, I.	Ewald	Kroening	Onnen	Stowell
Anderson, R.	Faricy	Kvam	Osthoff	Sviggum
Battaglia	Fjoslien	Laidig	Otis	Swanson
Begich	Forsythe	Lehto	Patton	Thiede
Berkelman	Fritz	Levi	Peterson, B.	Tomlinson
Biersdorf	Fudro	Long	Peterson, D.	Valento
Blatz	Greenfield	Luknic	Piepho	Vanasek
Brinkman	Halberg	Mann	Pleasant	Voss
Byrne	Haukoos	McCarron	Prahl	Waldorf
Carlson, D.	Heap	McDonald	Redalen	Weaver
Carlson, L.	Heinitz	McEachern	Reding	Welch
Casserly	Hoberg	Mehrkens	Rees	Welker
Clark	Hokanson	Metzen	Rice	Wenzel
Clawson	Jacobs	Minne	Rodriguez	Wieser
Corbid	Jaros	Moe	Rose	Wigley
Dean	Jennings	Munger	Rothenberg	Wynia
Dempsey	Johnson, C.	Murphy	Sarna	Zubay
Den Ouden	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton

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

S. F. No. 1843 was reported to the House.

Lehto moved to amend S. F. No. 1843 as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 174.03, Subdivision 4, is amended to read:

Subd. 4. [OTHER DUTIES.] The commissioner shall:

(a) Construct and maintain transportation facilities as authorized by law;

(b) Cooperate with, and may provide technical and financial assistance to, the metropolitan council and regional development commissions in the regional transportation planning process, in accordance with mutually acceptable terms and conditions;

(c) Cooperate with and may provide planning and technical assistance upon the request of any political subdivision or other governmental agency in accordance with mutually accepted terms and conditions, except as otherwise restricted by law; and

(d) Develop, revise and monitor a statewide rail transportation plan as part of the statewide transportation planning process, including a study and evaluation of alternative methods for insuring adequate and economical transportation of agricultural commodities, supplies and other goods to and from rural areas of the state. The plan (MAY) shall include an analysis of rail lines in the state for the purpose of determining: (1) eligibility of rail lines for assistance under federal and state rail assistance programs; (2) *eligibility of rail lines for inclusion in the state rail bank*; and ((2)) (3) the actions required by the state to insure the continuation of rail service that meets essential state needs and objectives.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 222.50, Subdivision 7, is amended to read:

Subd. 7. The commissioner may expend money from the rail service improvement account for the following purposes:

(a) To pay interest adjustments on loans guaranteed under the state rail user loan guarantee program;

(b) To pay a portion of the costs of capital improvement projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track and connections between existing lines, and construction and improvement of loading, unloading, storage and transfer facilities of a rail user;

(c) To acquire, maintain, manage and dispose of railroad right-of-way pursuant to subdivision 8 *and the state rail bank program*; (.)

(d) To provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and re-establishing by analytical triangulation the existing alignment of the in-place track.

All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

Sec. 3. Minnesota Statutes 1978, Chapter 222, is amended by adding a section to read:

[222.63] [ABANDONED RIGHT-OF-WAY; STATE RAIL BANK.] *Subdivision 1. [DEFINITION.] For the purpose of this section the term "abandoned", when used with reference to a railroad line or right-of-way, means a line or right-of-way with respect to which the interstate commerce commission or other empowered authority has found that the public convenience and necessity permit discontinuance of rail service.*

Subd. 2. [ESTABLISHMENT; ACQUISITION; ELIGIBLE PROPERTIES.] A state rail bank is established for the acquisition, preservation and disposition of abandoned railroad right-of-way for future use for commercial transportation and transmission. The commissioner of transportation may acquire by purchase or otherwise all or part of any abandoned railroad right-of-way which is necessary for inclusion in the state rail bank to meet the future commercial transportation needs of the state. The commissioner shall not acquire any interest in an abandoned right-of-way for inclusion in the state rail bank by eminent domain except when all owners as defined in section 117.025 that are known to the court have no objection to the taking.

An abandoned right-of-way is eligible for inclusion in the state rail bank if the right-of-way meets one or more of the following criteria:

(a) Provides or is expected to provide access to a present or proposed major energy generating or using facility such as an electrical generating plant, major heating plant or other major industrial user of energy;

(b) Provides or is expected to provide access to a major storage or terminal facility in the marketing of agricultural commodities and forest products;

(c) Provides important access to surrounding states;

(d) Is a present or potential corridor for a pipeline, electrical transmission line, highway, transit route, rail freight or

passenger line or other similar commercial transportation use;
or

(e) Provides access to an extractive resource requiring transportation and transmission rail services for its development.

The commissioner shall provide for the maintenance including control of weeds, of any right-of-way that is included in the rail bank. The commissioner shall provide for the maintenance and management of any right-of-way that is acquired under the rail bank program in a manner that minimizes maintenance costs and provides a benefit to the state. The commissioner may allow interim uses of the right-of-way compatible with the adjacent land use. The commissioner may also require that any existing railroad track that is included in the acquired right-of-way shall not be removed during the period the right-of-way is included in the state rail bank.

Subd. 3. [PUBLIC AND AGENCY PARTICIPATION.] If the commissioner desires to acquire, dispose of or utilize any right-of-way which he is authorized to acquire or has acquired pursuant to authorization under subdivision 2, he shall publish a notice of the proposed action in the state register and in at least one newspaper of general circulation in the area where the right-of-way is located. If any person objects in writing to the proposed action within 30 days of publication of notice the commissioner shall proceed in the manner provided for a contested case. If no written objection is received the commissioner may take the proposed action only after holding a public meeting to seek public comment on the action. At least one hearing or meeting required under this subdivision shall be held in the area where the right-of-way is located.

Subd. 4. [DISPOSITION PERMITTED.] The commissioner shall lease any right-of-way acquired under the state rail bank program for any of the purposes set forth in subdivision 2 in accordance with a fee schedule to be developed by the commissioner in consultation with the advisory task force established in section 222.65.

Subd. 5. [SPECIFIC USE OF RIGHT-OF-WAY; DISPOSITION REQUIRED.] If a property acquired for the state rail bank has not been disposed of according to subdivision 4 and no specific commercial transportation use for that property has been identified by the commissioner within 20 years after its acquisition the commissioner shall offer it for sale to the owners of private property adjacent to the rail bank property. If a specific commercial transportation use has been identified for a rail bank property but the property is not disposed of or utilized as provided in subdivision 4 within 30 years after its acquisition it shall be offered for sale to the owners of private property ad-

jaacent to the rail bank property. The commissioner may not offer any property required to be disposed of under this subdivision to any other state department or agency until the owners of adjacent private property have had an opportunity for at least six months to make offers to purchase the property from the commissioner at its fully appraised value.

Subd. 6. [INTERVENTION IN ABANDONMENT PROCEEDING.] The commissioner may intervene in a proceeding of the interstate commerce commission on the issue of suitability for a public use of a rail line proposed to be abandoned if the commissioner finds that the right-of-way of the line would be eligible for inclusion in the state rail bank. To the extent practicable before intervening as provided in this section the commissioner shall hold at least one public meeting in the area in which the line is located to solicit opinions of interested persons concerning the commissioner's proposed action.

Subd. 7. [RULES.] The commissioner of transportation shall adopt rules necessary to establish criteria for properties eligible for inclusion in the rail bank and to establish public procedures for acquisition and disposition of rail bank properties.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 222.65, is amended to read:

222.65 [ADVISORY TASK FORCE.] The commissioner of transportation may establish an advisory task force in the manner provided in section 15.059 to advise the department concerning the implementation of the rail service improvement program, the federal rail service continuation program, the state rail bank program, and the rail user loan guarantee program. The task force may include representatives of departments of agriculture, commerce, economic development, the energy agency, state planning agency, railroad companies, railroad labor organizations, and rail users."

The motion prevailed and the amendment was adopted.

Redalen moved to amend S. F. No. 1843, as amended, as follows:

Page 6, after line 29, insert the following:

"Sec. 5. The commissioner of natural resources may, in the same manner as provided by law for the sale of trust fund lands, sell at public auction the lands and interests in lands relating to the abandoned railway line located in Mower and Fillmore Counties which were acquired by the state in 1978 from the Chicago and Northwestern Transportation Company and which lie between the intersection of U.S. Highways 16 and 63 near the city of Spring Valley in Fillmore County and the intersection of the

railway line with the Minnesota and Iowa border at a point southwest of LeRoy in Mower County. The commissioner may subdivide the lands and interests in lands into smaller parcels for the purpose of this sale.

Sec. 6. This act is effective the day following its final enactment."

Further, amend the title as follows:

Page 1, line 3, after the semicolon insert "relating to state lands; authorizing the sale at public auction of lands and interests in lands located in Mower and Fillmore Counties;"

The motion prevailed and the amendment was adopted.

Sieben, M., moved to amend S. F. No. 1843, as amended, as follows:

Page 6, after line 29, add a new section as follows:

"Sec. 5. In any county in which a combination railroad and highway bridge is closed the county board may lease or purchase such bridge. The county board may establish and from time to time adjust tolls to be charged for vehicular use of the bridge at the rate or rates and on the basis the county board may deem appropriate to provide revenues sufficient to finance the lease, purchase, operation, repair, and maintenance of the bridge and toll facilities. The revenues from the bridge tolls shall only be used for the lease, purchase, repair, operation, and maintenance of the bridge and toll facilities."

A roll call was requested and properly seconded.

POINT OF ORDER

Voss raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

McDonald appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 52 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Adams	Anderson, G.	Biersdorf	Clark	Eken
Anderson, D.	Berkelman	Carlson, L.	Dempsey	Ellingson

Fjoslien	Kelly	Nelson	Reding	Vanasek
Fritz	Kempe	Nysether	Rice	Voss
Greenfield	Kostohryz	Osthoff	Rodriguez	Welch
Heap	Ludeman	Otis	Rothenberg	Welker
Hokanson	Mann	Patton	Sarna	Wigley
Jacobs	McCarron	Pehler	Simoneau	Spkr. Norton
Jennings	McEachern	Peterson, D.	Stoa	
Johnson, C.	Moe	Piepho	Stowell	
Kalis	Munger	Prahl	Sviggum	

Those who voted in the negative were:

Aasness	Den Ouden	Johnson, D.	Murphy	Swanson
Ainley	Drew	Jude	Nelsen, B.	Thiede
Albrecht	Elioff	Kahn	Niehaus	Tomlinson
Anderson, I.	Erickson	Kaley	Norman	Valan
Battaglia	Esau	Knickerbocker	Olsen	Valento
Begich	Evans	Kroening	Onnen	Waldorf
Blatz	Ewald	Kvam	Peterson, B.	Weaver
Brinkman	Faricy	Laidig	Pleasant	Wenzel
Byrne	Forsythe	Levi	Redalen	Wieser
Carlson, D.	Friedrich	Long	Rees	Wynia
Casserly	Fudro	Luknic	Reif	Zubay
Clawson	Halberg	McDonald	Searles	
Corbid	Haukoos	Mehrkens	Sherwood	
Crandall	Hoberg	Metzen	Sieben, M.	
Dean	Jaros	Minne	Stadum	

So it was the judgment of the House that the decision of the Speaker should not stand and the amendment was in order.

The question recurred on the Sieben, M., amendment and the roll was called. There were 91 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Lehto	Otis	Swanson
Ainley	Ewald	Levi	Peterson, B.	Thiede
Albrecht	Faricy	Long	Peterson, D.	Tomlinson
Anderson, B.	Fjoslien	Ludeman	Piepho	Valan
Anderson, I.	Forsythe	Luknic	Pleasant	Valento
Battaglia	Fritz	McCarron	Prahl	Waldorf
Begich	Fudro	McDonald	Redalen	Weaver
Berkelman	Haukoos	McEachern	Reding	Welch
Blatz	Heinitz	Mehrkens	Rees	Welker
Brinkman	Hoberg	Metzen	Reif	Wenzel
Byrne	Hokanson	Minne	Rodriguez	Wieser
Casserly	Jacobs	Nelsen, B.	Rose	Wigley
Clark	Jaros	Nelsen, M.	Rothenberg	Wynia
Clawson	Johnson, D.	Nelson	Searles	Zubay
Corbid	Jude	Niehaus	Sherwood	Spkr. Norton
Dean	Kahn	Norman	Sieben, H.	
Dempsey	Knickerbocker	Novak	Sieben, M.	
Den Ouden	Kroening	Nysether	Simoneau	
Erickson	Laidig	Onnen	Stadum	

Those who voted in the negative were:

Adams	Biersdorf	Drew	Greenfield	Johnson, C.
Anderson, D.	Carlson, D.	Eken	Halberg	Kaley
Anderson, G.	Carlson, L.	Ellingson	Heap	Kalis
Berglin	Crandall	Friedrich	Jennings	Kelly

Kempe	Munger	Pehler	Searle	Vanasek
Kostohryz	Olsen	Rice	Stoa	Voss
Kvam	Osthoff	Sarna	Stowell	
Mann	Patton	Schreiber	Swiggum	

The motion prevailed and the amendment was adopted.

Ludeman moved to amend S. F. No. 1843, as amended, as follows:

Page 5, line 19, delete "20" and insert "10"

Page 5, line 25, delete "30" and insert "15"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 56 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kelly	Patton	Valan
Adams	Evans	Kvam	Peterson, B.	Valento
Ainley	Fjoslien	Levi	Piepho	Weaver
Albrecht	Friedrich	Ludeman	Pleasant	Welker
Anderson, R.	Fritz	Luknic	Redalen	Wenzel
Begich	Halberg	McDonald	Rees	Wieser
Biersdorf	Haukoos	Mehrkens	Searle	Wigley
Crandall	Heinitz	Nelsen, B.	Sherwood	Zubay
Dempsy	Hoberg	Niehaus	Stadum	
Den Ouden	Jennings	Nysether	Stowell	
Drew	Johnson, D.	Onnen	Swiggum	
Erickson	Kaley	Osthoff	Thiede	

Those who voted in the negative were:

Anderson, B.	Corbid	Kahn	Nelsen, M.	Sieben, H.
Anderson, D.	Dean	Kalis	Nelson	Sieben, M.
Anderson, G.	Eken	Kempe	Norman	Simoneau
Battaglia	Elioff	Kostohryz	Novak	Stoa
Berglin	Ellingson	Kroening	Olsen	Swanson
Berkelman	Faricy	Laidig	Otis	Tomlinson
Blatz	Forsythe	Lehto	Pehler	Vanasek
Brinkman	Fudro	Long	Peterson, D.	Voss
Byrne	Greenfield	Mann	Prahl	Waldorf
Carlson, D.	Heap	McCarron	Reding	Welch
Carlson, L.	Hokanson	McEachern	Rice	Wynia
Casserly	Jaros	Metzen	Rodriguez	Spkr. Norton
Clark	Johnson, C.	Minne	Rothenberg	
Clawson	Jude	Munger	Sarna	

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

Begich offered an amendment to S. F. No. 1843.

POINT OF ORDER

Searle raised a point of order pursuant to rule 3.9 that the amendment was not in order.

The Speaker submitted the following question to the House:

“Is it the judgement of the House that the point of order is well taken?”

A roll call was requested and properly seconded.

The roll was called, there were 67 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Albrecht	Eken	Kahn	Novak	Stoa
Anderson, B.	Ellingson	Kaley	Olsen	Stowell
Anderson, D.	Ewald	Kelly	Otis	Tomlinson
Anderson, G.	Faricy	Knickerbocker	Pehler	Vanasek
Berglin	Forsythe	Kostohryz	Peterson, B.	Voss
Berkelman	Greenfield	Kvam	Peterson, D.	Waldorf
Byrne	Halberg	Laidig	Pleasant	Weaver
Carlson, L.	Haukoos	Lehto	Reding	Wigley
Casserly	Heap	Long	Rose	Wynia
Clark	Heinitz	McCarron	Rothenberg	Zubay
Clawson	Hoberg	Moe	Searle	Spkr. Norton
Corbid	Hokanson	Munger	Sieben, H.	
Dean	Jaros	Nelson	Sieben, M.	
Drew	Johnson, C.	Norman	Simoneau	

Those who voted in the negative were:

Aasness	Erickson	Levi	Niehaus	Sherwood
Ainley	Esau	Ludeman	Nysether	Stadum
Anderson, I.	Fjoslien	Luknic	Onnen	Sviggum
Battaglia	Friedrich	Mann	Osthoff	Swanson
Begich	Fritz	McDonald	Piepho	Thiede
Biersdorf	Fudro	McEachern	Prahl	Valan
Blatz	Jennings	Mehrkens	Redalen	Valento
Carlson, D.	Johnson, D.	Metzen	Rees	Welch
Crandall	Jude	Minne	Reif	Welker
Dempsey	Kalis	Murphy	Rice	Wenzel
Den Ouden	Kempe	Nelsen, B.	Rodriguez	Wieser
Elioff	Kroening	Nelsen, M.	Sarna	

So it was the judgment of the House that the point of order was well taken and the amendment was out of order.

Nelsen, B., moved to amend S. F. No. 1843, as amended, as follows:

Page 4, line 32, delete “in at least one newspaper” and insert “all newspapers”

The motion prevailed and the amendment was adopted.

S. F. No. 1843, A bill for an act relating to transportation; establishing a state rail bank for abandoned rail lines; amending Minnesota Statutes 1978, Chapter 222, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 174.03, Subdivision 4; 222.50, Subdivision 7; and 222.65.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 102 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Aasness	Crandall	Johnson, D.	Moe	Searle
Adams	Dean	Jude	Munger	Searles
Ainley	Eken	Kahn	Murphy	Sherwood
Anderson, B.	Elioff	Kaley	Nelsen, M.	Sieben, H.
Anderson, D.	Ellingson	Kalis	Nelson	Sieben, M.
Anderson, G.	Evans	Kelly	Norman	Simoneau
Anderson, I.	Ewald	Kempe	Novak	Stoa
Anderson, R.	Faricy	Knickerbocker	Olsen	Stowell
Battaglia	Fjoslien	Kostohryz	Otis	Swanson
Berglin	Forsythe	Kroening	Pehler	Tomlinson
Berkelman	Friedrich	Laidig	Peterson, B.	Waldorf
Biersdorf	Fudro	Lehto	Peterson, D.	Weaver
Blatz	Greenfield	Levi	Piepho	Welch
Brinkman	Halberg	Long	Prahl	Wenzel
Byrne	Haukoos	Luknic	Redalen	Wieser
Carlson, D.	Heinitz	Mann	Reding	Wynia
Carlson, L.	Hoberg	McCarron	Rees	Zubay
Casserly	Hokanson	McDonald	Reif	Spkr. Norton
Clark	Jacobs	McEachern	Rodriguez	
Clawson	Jaros	Metzen	Rose	
Corbid	Johnson, C.	Minne	Rothenberg	

Those who voted in the negative were:

Albrecht	Heap	Niehaus	Rice	Valento
Dempsey	Jennings	Nysether	Sarna	Vanasek
Den Ouden	Kvam	Onnen	Stadum	Voss
Drew	Ludeman	Osthoff	Sviggum	Welker
Erickson	Mehrkens	Patton	Thiede	Wigley
Fritz	Nelsen, B.	Pleasant	Valan	

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

S. F. No. 523 was reported to the House.

Kalis moved that S. F. No. 523 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 1996, A bill for an act relating to the city of Minneapolis; providing for a position in the unclassified service; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Nelsen, M.	Searle
Adams	Eken	Kahn	Nelson	Searles
Ainley	Elioff	Kalis	Niehaus	Sieben, H.
Albrecht	Ellingson	Kelly	Norman	Sieben, M.
Anderson, B.	Erickson	Kempe	Novak	Simoneau
Anderson, D.	Esau	Knickerbocker	Nysether	Stadum
Anderson, G.	Evans	Kostohryz	Olsen	Stoa
Anderson, I.	Ewald	Kroening	Onnen	Stowell
Anderson, R.	Farcy	Kvam	Osthoff	Svigum
Battaglia	Fjoslien	Laidig	Otis	Swanson
Begich	Forsythe	Lehto	Patton	Thiede
Berglin	Friedrich	Levi	Pehler	Tomlinson
Berkelman	Fritz	Long	Peterson, B.	Valan
Biersdorf	Fudro	Ludeman	Peterson, D.	Valento
Blatz	Greenfield	Luknic	Piepho	Vanasek
Brinkman	Halberg	Mann	Pleasant	Voss
Byrne	Haukoos	McCarron	Prahl	Waldorf
Carlson, D.	Heap	McDonald	Redalen	Weaver
Carlson, L.	Heintz	McEachern	Reding	Welch
Cassery	Hoberg	Mehrkens	Rees	Welker
Clark	Hokanson	Metzen	Reif	Wenzel
Clawson	Jacobs	Minne	Rice	Wieser
Crandall	Jaros	Moe	Rodriguez	Wigley
Dean	Jennings	Munger	Rose	Wynia
Dempsey	Johnson, C.	Murphy	Rothenberg	Zubay
Den Ouden	Johnson, D.	Nelsen, B.	Sarna	Spkr. Norton

The bill was passed and its title agreed to.

S. F. No. 1875 was reported to the House.

Anderson, I., moved that S. F. No. 1875 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 1611 was reported to the House.

Clawson moved to amend S. F. No. 1611, the unofficial engrossment, as follows:

Page 9, line 4, after "by" delete "the city council of the city of Moorhead" and insert "a majority of the voters voting on the question in an election called for the purpose by"

Page 9, line 5, delete the first "and"

Page 9, after line 6, insert "The question to be put before the voters shall be: "Shall the city council of the city of Moorhead and the county board of Clay county be authorized to enter into a cooperative agreement for the establishment and operation of the Moorhead-Clay county area redevelopment authority, in-

cluding the authority to exercise eminent domain and to issue, without referendum, redevelopment bonds?

___ Yes

___ No" "

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 47 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Adams	Clark	Jude	Moe	Stoa
Anderson, B.	Clawson	Kahn	Munger	Swanson
Anderson, G.	Corbid	Kalis	Nelson	Tomlinson
Anderson, I.	Eken	Kelly	Novak	Vanasek
Battaglia	Faricy	Kempe	Osthoff	Voss
Begich	Greenfield	Kroening	Pehler	Welch
Brinkman	Hokanson	Lehto	Prahl	Wenzel
Byrne	Jacobs	Mann	Rice	
Carlson, L.	Jaros	McEachern	Rodriguez	
Casserly	Johnson, C.	Minne	Simoneau	

Those who voted in the negative were:

Aasness	Esau	Kvam	Patton	Sieben, H.
Ainley	Evans	Laidig	Peterson, B.	Sieben, M.
Albrecht	Ewald	Levi	Peterson, D.	Stadum
Anderson, D.	Fjoslien	Ludeman	Piepho	Stowell
Anderson, R.	Forsythe	Luknic	Pleasant	Sviggum
Berkelman	Friedrich	McDonald	Redalen	Thiede
Biersdorf	Fritz	Mehrkens	Reding	Valan
Blatz	Halberg	Metzen	Rees	Valento
Carlson, D.	Haukoos	Murphy	Reif	Waldorf
Crandall	Heap	Nelsen, B.	Rose	Weaver
Dean	Heinitz	Niehaus	Rothenberg	Welker
Dempsey	Hoberg	Norman	Sarna	Wieser
Den Ouden	Jennings	Nysether	Schreiber	Wigley
Drew	Johnson, D.	Olsen	Searle	Wynia
Elioff	Kaley	Onnen	Searles	Zubay
Erickson	Knickerbocker	Otis	Sherwood	Spkr. Norton

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

S. F. No. 1611, A bill for an act relating to local government; establishing the Moorhead-Clay County area redevelopment authority; terminating the existence of the Moorhead local redevelopment agency and the Clay County local redevelopment agency; granting certain powers to the city of Moorhead and the county of Clay.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Nelsen, M.	Sherwood
Adams	Eken	Kahn	Nelson	Sieben, H.
Ainley	Elioff	Kaley	Niehaus	Sieben, M.
Albrecht	Ellingson	Kalis	Norman	Simoneau
Anderson, B.	Erickson	Kelly	Novak	Stadum
Anderson, D.	Esau	Kempe	Nysether	Stoa
Anderson, G.	Evans	Knickerbocker	Olsen	Stowell
Anderson, I.	Ewald	Kostohryz	Onnen	Swiggum
Anderson, R.	Faricy	Kroening	Otis	Swanson
Battaglia	Fjoslien	Kvam	Peterson, B.	Thiede
Begich	Forsythe	Laidig	Peterson, D.	Tomlinson
Berglin	Friedrich	Lehto	Piepho	Valan
Berkelman	Fritz	Levi	Pleasant	Valento
Biersdorf	Fudro	Long	Prahl	Vanasek
Blatz	Greenfield	Ludeman	Redalen	Voss
Brinkman	Halberg	Luknic	Reding	Waldorf
Byrne	Haukoos	Mann	Rees	Weaver
Carlson, D.	Heap	McDonald	Reif	Welker
Carlson, L.	Heinitz	McEachern	Rice	Wenzel
Casserly	Hoberg	Mehrkens	Rodriguez	Wieser
Clark	Hokanson	Metzen	Rose	Wigley
Clawson	Jacobs	Minne	Rothenberg	Wynia
Crandall	Jaros	Moe	Sarna	Zubay
Dean	Jennings	Munger	Schreiber	Spkr. Norton
Dempsey	Johnson, C.	Murphy	Searle	
Den Ouden	Johnson, D.	Nelsen, B.	Searles	

Those who voted in the negative were:

Corbid	Osthoff	Patton	Pehler
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The bill was passed and its title agreed to.

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

MOTIONS AND RESOLUTIONS

Osthoff moved that H. F. No. 2289, now on General Orders, be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

Rose moved that the name of Adams be stricken and the name of Novak be added as an author on H. F. No. 1443. The motion prevailed.

Pehler moved that S. F. No. 1962 be recalled from the Committee on Appropriations and together with H. F. No. 2211, now

on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Novak moved that H. F. No. 1740 be returned to its author. The motion prevailed.

Crandall moved that H. F. No. 2182 be returned to its author. The motion prevailed.

McDonald moved that H. F. Nos. 97, 80 and 1762 be returned to their author.

Rice moved to amend the McDonald motion as follows :

Delete H. F. No. 80

A roll call was requested and properly seconded.

The question was taken on the Rice amendment to the McDonald motion and the roll was called. There were 65 yeas and 66 nays as follows :

Those who voted in the affirmative were :

Adams	Clawson	Kahn	Munger	Sarna
Anderson, B.	Corbid	Kalis	Murphy	Sieben, H.
Anderson, G.	Eken	Kempe	Nelsen, M.	Sieben, M.
Anderson, I.	Elioff	Kostohryz	Novak	Simoneau
Battaglia	Ellingson	Kroening	Osthoff	Swanson
Begich	Faricy	Lehto	Otis	Tomlinson
Berglin	Fudro	Long	Patton	Vanasek
Berkelman	Greenfield	Mann	Pehler	Voss
Brinkman	Hokanson	McCarron	Peterson, D.	Waldorf
Byrne	Jacobs	McEachern	Prahl	Welch
Carlson, L.	Jaros	Metzen	Reding	Wenzel
Casserly	Johnson, C.	Minne	Rice	Wynia
Clark	Jude	Moe	Rodriguez	Spkr. Norton

Those who voted in the negative were :

Aasness	Esau	Kaley	Onnen	Stowell
Ainley	Evans	Knickerbocker	Peterson, B.	Sviggum
Albrecht	Ewald	Kvam	Piepho	Thiede
Anderson, D.	Fjoslien	Laidig	Pleasant	Valan
Anderson, R.	Forsythe	Levi	Redalen	Valento
Biersdorf	Friedrich	Ludeman	Rees	Weaver
Blatz	Fritz	Luknic	Reif	Welker
Carlson, D.	Halberg	McDonald	Rose	Wieser
Crandall	Haukoos	Mehrkens	Rothenberg	Wigley
Dean	Heap	Nelsen, B.	Schreiber	Zubay
Dempsey	Heinitz	Niehaus	Searle	
Den Ouden	Hoberg	Norman	Sherles	
Drew	Jennings	Nysether	Sherwood	
Erickson	Johnson, D.	Olsen	Stadum	

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

The question recurred on the McDonald motion. The motion prevailed.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1121, A bill for an act relating to taxation; updating the definition of gross income for income tax purposes for individuals, trusts and estates with certain modifications; providing for exempt-interest dividends for certain mutual funds; extending the political contribution credit to congressional and local candidates; clarifying certain definitions; providing a tax credit for energy conservation expenditures; clarifying the renewable energy source credit; increasing the dependent care credit; extending investment tax credits to family corporations; making certain changes in the minimum tax and in the treatment of small business corporations; allowing a ten year carry-back of product liability losses; providing for deferral of certain gains recognized in the disposition of broadcasting property; reducing certain property tax classification ratios; increasing homestead credits; changing the property tax status of certain mobile homes; providing for delayed assessments for certain improvements; increasing homestead base value; providing a classification for neighborhood real estate trusts; adjusting levy limits and providing for certain special levies; providing for certain hearings and appeals on special assessments; clarifying property tax settlements; clarifying certain property tax refund filing due dates; extending eligibility for property tax refunds to certain claimants; providing for adjustment of property tax refunds due to abatements; providing state reimbursement for certain property; authorizing heat applied tax stamping machines; increasing the sales tax on retail sales from vending machines; providing a sales tax exemption for certain arts admissions; fixing maximum interest rates on public obligations; excepting certain debt obligations from public sale requirement; appropriating money; amending Minnesota Statutes 1978, Sections 124.212, Subdivision 2; 168.012, Subdivision 9; 273.13, Subdivisions 3 and 17b, and by adding a subdivision; 275.51, by adding a subdivision; 275.52, Subdivisions 2 and 5; 276.04; 276.09; 276.10; 276.11; 290.01, by adding a subdivision; 290.09, Subdivisions 2, 24 and 28; 290.095, by adding a subdivi-

sion; 290.13, by adding a subdivision; 290.26, Subdivision 2; 290.49, Subdivision 10; 290.971, Subdivisions 1, 3 and 6; 290.972, Subdivisions 1, 3 and 5; 290A.06; 290A.11, by adding a subdivision; 290A.17; 290A.18; 290A.19; 297.03, Subdivision 6; 297A.-02; 297A.25, Subdivision 1; 375.192, Subdivision 1; 429.061, Subdivisions 1 and 2; 429.081; 474.06; 475.55; 475.60, Subdivision 2; Chapters 273, by adding sections; and 298, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 273.-122; 273.13, Subdivisions 4, 5a, 6, 7, 14a and 19; 275.50, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 11 and 14; 290.067, Subdivisions 1 and 2; 290.09, Subdivision 3; 290.091; 290.095, Subdivision 1; 290.14; 290.17, Subdivision 1; 290.37, Subdivision 1; 290A.03, Subdivision 3; repealing Minnesota Statutes 1978, Section 290.971, Subdivision 5; and Minnesota Statutes, 1979 Supplement, Section 290.23, Subdivision 16.

The Senate has appointed as such committee Messrs. McCutcheon, Johnson, Sillers, Peterson and Hanson.

House File No. 1121 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 10:30 a.m., Wednesday, March 26, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:30 a.m., Wednesday, March 26, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

EIGHTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 26, 1980

The House of Representatives convened at 10:30 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Eken	Kaley	Niehaus	Sherwood
Ainley	Elioff	Kalis	Norman	Sieben, H.
Albrecht	Ellingson	Kelly	Novak	Sieben, M.
Anderson, B.	Erickson	Kempe	Nysether	Simoneau
Anderson, D.	Esau	Knickerbocker	Olsen	Stadum
Anderson, G.	Evans	Kostohryz	Onnen	Stoa
Anderson, I.	Ewald	Kroening	Osthoff	Stowell
Anderson, R.	Faricy	Kvam	Otis	Sviggum
Battaglia	Fjoslien	Laidig	Patton	Swanson
Begich	Forsythe	Lehto	Pehler	Thiede
Berglin	Friedrich	Levi	Peterson, B.	Tomlinson
Berkelman	Fritz	Long	Peterson, D.	Valan
Biersdorf	Fudro	Ludeman	Piepho	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Halberg	Mann	Prahl	Voss
Byrne	Haukoos	McCarron	Redalen	Waldorf
Carlson, D.	Heap	McDonald	Reding	Weaver
Carlson, L.	Heinitz	McEachern	Rees	Welch
Casserly	Hoberg	Mehrkens	Reif	Welker
Clark	Hokanson	Metzen	Rice	Wenzel
Clawson	Jacobs	Minne	Rodriguez	Wieser
Corbid	Jaros	Moe	Rose	Wigley
Crandall	Jennings	Munger	Rothenberg	Wynia
Dean	Johnson, C.	Murphy	Sarna	Zubay
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Den Ouden	Jude	Nelsen, M.	Searle	
Drew	Kahn	Nelson	Searles	

A quorum was present.

Adams was excused until 2:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Niehaus moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1047, 1710, 1655, 2090, 2045, 2211 and 2353 and S. F. Nos. 2044, 2092, 1618, 1655, 210, 1021, 1235, 1962, 1805, 1861, 2172 and 1415 have been placed in the members' files.

S. F. No. 1415 and H. F. No. 1255, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Casserly moved that the rules be so far suspended that S. F. No. 1415 be substituted for H. F. No. 1255 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1618 and H. F. No. 1678, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Valan moved that the rules be so far suspended that S. F. No. 1618 be substituted for H. F. No. 1678 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

March 18, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 455, relating to education; providing equal opportunity for members of both sexes to participate in certain athletics; modifying the coverage and terms of the current law providing for equal opportunity in certain athletics; requiring the state

board of education after consultation with the commissioner of human rights to promulgate certain rules; providing for the rights of certain parties in the case of certain sex discrimination charges; requiring the Minnesota state high school league to transact business in an open meeting; amending Minnesota Statutes 1978, Sections 126.21; 129.121, by adding a subdivision; and 363.02, Subdivision 3.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

March 24, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 2110, relating to motor vehicles; authorizing the identification of certain tax exempt vehicles by use of removable plates or placards; amending Minnesota Statutes 1978, Section 168.012, Subdivision 1.

H. F. No. 1488, relating to St. Louis County; providing authority to negotiate public employees wages.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

March 25, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1932, relating to Independent School District No. 535, Rochester; providing that its school board may organize at a time other than the time required for the organization of the board of an independent district;

H. F. No. 2012, relating to motor vehicles; authorizing personalized license plates bearing radio or television station call signals or letters;

H. F. No. 1656, relating to motor vehicles; providing for delivery of motor vehicle certificates of title to owners upon satisfaction of a security interest;

H. F. No. 1666, relating to transportation; repealing a certain administrative rule of the department of transportation enforcing parallel parking on certain streets and highways.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

March 25, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	2110	364	March 24	March 24
	1488	365	March 24	March 24
1755		366	March 24	March 24
1296		367	March 24	March 24

87th Day] WEDNESDAY, MARCH 26, 1980 5715

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	920	368	March 24	March 24
	1656	369	March 25	March 25
	1666	370	March 25	March 25
	1932	371	March 25	March 25
	2012	372	March 25	March 25
273		373	March 25	March 25
759		374	March 25	March 25
1609		375	March 25	March 25

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

SECOND READING OF SENATE BILLS

S. F. Nos. 1415 and 1618 were read for the second time.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1962, A bill for an act relating to motor vehicles; permitting the use of foreign state dealer plates in certain circumstances; restricting sales of new motor vehicles by wholesalers; authorizing the use of in-transit plates on used vehicles; imposing certain duties on the registrar of motor vehicles; amending Minnesota Statutes 1978, Sections 168.181, Subdivision 2; 168.27, Subdivisions 6 and 17.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Simoneau moved that the House concur in the Senate amendments to H. F. No. 1962 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1962, A bill for an act relating to motor vehicles; permitting the use of foreign state dealer plates in certain circumstances; restricting sales of new motor vehicles by wholesalers; authorizing the use of in-transit plates on used vehicles; amending Minnesota Statutes 1978, Sections 168.181, Subdivision 2; 168.27, Subdivisions 6 and 17.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Niehaus	Simoneau
Ainley	Elioff	Kalis	Novak	Stadum
Albrecht	Erickson	Kelly	Nysether	Stoa
Anderson, B.	Esau	Kempe	Olsen	Stowell
Anderson, D.	Evans	Kostohryz	Onnen	Sviggum
Anderson, G.	Ewald	Kroening	Otis	Swanson
Anderson, I.	Faricy	Kvam	Patton	Thiede
Anderson, R.	Fjoslien	Laidig	Pehler	Tomlinson
Battaglia	Forsythe	Lehto	Peterson, B.	Valan
Begich	Friedrich	Levi	Peterson, D.	Valento
Berkelman	Fritz	Long	Piepho	Vanasek
Biersdorf	Fudro	Ludeman	Pleasant	Voss
Blatz	Greenfield	Luknic	Prahl	Waldorf
Brinkman	Halberg	Mann	Redalen	Weaver
Byrne	Haukoos	McCarron	Reding	Welch
Carlson, D.	Heap	McDonald	Rees	Welker
Carlson, L.	Heinitz	McEachern	Reif	Wenzel
Casserly	Hoberg	Mehrkens	Rice	Wieser
Clark	Hokanson	Metzen	Rodriguez	Wigley
Clawson	Jacobs	Minne	Rose	Wynia
Corbid	Jaros	Moe	Sarna	Zubay
Crandall	Jennings	Munger	Searle	Spkr. Norton
Dean	Johnson, C.	Murphy	Searles	
Dempsey	Johnson, D.	Nelsen, B.	Sherwood	
Den Ouden	Jude	Nelsen, M.	Sieben, H.	
Drew	Kahn	Nelson	Sieben, M.	

The bill was repassed, as amended by the Senate, and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Voss requested immediate consideration of H. F. Nos. 1763, 2045, 1655 and 2353.

H. F. No. 1763, A bill for an act relating to education; increasing the bonding authority of the higher education coordinat-

ing board; amending Minnesota Statutes, 1979 Supplement, Section 136A.171.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kelly	Niehaus	Searles
Ainley	Ellingson	Kempe	Novak	Sherwood
Albrecht	Erickson	Knickerbocker	Nysether	Sieben, M.
Anderson, B.	Esau	Kostohryz	Olsen	Simoneau
Anderson, D.	Evans	Kroening	Onnen	Stadum
Anderson, G.	Ewald	Kvam	Osthoff	Stoa
Anderson, I.	Faricy	Laidig	Otis	Stowell
Anderson, R.	Fjoslien	Lehto	Patton	Sviggum
Battaglia	Forsythe	Levi	Pehler	Swanson
Begich	Friedrich	Long	Peterson, B.	Thiede
Berkelman	Fritz	Ludeman	Peterson, D.	Tomlinson
Biersdorf	Fudro	Luknic	Piepho	Valan
Blatz	Greenfield	Mann	Pleasant	Valento
Brinkman	Halberg	McCarron	Prahl	Vanasek
Byrne	Haukoos	McDonald	Redalen	Voss
Carlson, D.	Heap	McEachern	Reding	Waldorf
Carlson, L.	Heinitz	Mehrrens	Rees	Weaver
Clark	Hoberg	Metzen	Reif	Welch
Clawson	Hokanson	Minne	Rice	Welker
Crandall	Jacobs	Moe	Rodriguez	Wenzel
Dean	Jennings	Munger	Rose	Wieser
Dempsey	Johnson, C.	Murphy	Rothenberg	Wigley
Den Ouden	Johnson, D.	Nelsen, B.	Sarna	Wynia
Drew	Kaley	Nelsen, M.	Schreiber	Zubay
Eken	Kalis	Nelson	Searle	Spkr. Norton

The bill was passed and its title agreed to.

H. F. No. 2045 was reported to the House.

Anderson, G., moved to amend H. F. No. 2045 as follows:

Page 2, line 11, after "Minnesota" insert ", especially in areas of declining population"

Page 2, line 17, after "citizens," insert "especially in areas of declining population,"

Page 7, after line 3, insert a new subdivision to read:

"Subd. 6. Wherever possible in making and committing to make or purchase loans under this section, the agency shall give priority to loans in areas of declining population, as determined by the department of economic development. Such determinations shall be made on the basis of federal census and state demographic studies."

Renumber the remaining subdivision

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 54 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Albrecht	Clawson	Jaros	Minne	Reif
Anderson, B.	Dempsey	Johnson, C.	Murphy	Rice
Anderson, D.	Den Ouden	Johnson, D.	Nelsen, M.	Rodriguez
Anderson, G.	Eken	Kahn	Nelson	Valan
Anderson, I.	Elioff	Kalis	Niehaus	Vanasek
Battaglia	Ellingson	Kelly	Novak	Voss
Begich	Erickson	Kroening	Nysether	Waldorf
Berglin	Esau	Kvam	Otis	Wenzel
Carlson, D.	Fjoslien	Long	Prahl	Wieser
Casserly	Friedrich	Mann	Redalen	Wynia
Clark	Greenfield	Metzen	Reding	

Those who voted in the negative were:

Aasness	Halberg	Ludeman	Piepho	Stowell
Ainley	Haukoos	Luknic	Pleasant	Sviggum
Anderson, R.	Heap	McDonald	Rees	Swanson
Berkelman	Heintz	McEachern	Rose	Thiede
Biersdorf	Hoberg	Mehrkens	Rothenberg	Tomlinson
Blatz	Hokanson	Moe	Sarna	Valento
Brinkman	Jacobs	Nelsen, B.	Schreiber	Weaver
Carlson, L.	Jennings	Norman	Searle	Welch
Crandall	Jude	Olsen	Searles	Welker
Dean	Kaley	Onnen	Sherwood	Wigley
Evans	Kempe	Osthoff	Sieben, H.	Zubay
Ewald	Knickerbocker	Patton	Sieben, M.	Spkr. Norton
Forsythe	Kostohryz	Pehler	Simoneau	
Fritz	Laidig	Peterson, B.	Stadum	
Fudro	Levi	Peterson, D.	Stoa	

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

Otis was excused from 11:15 a.m. to 3:00 p.m.

Berglin moved to amend H. F. No. 2045 as follows:

Page 10, line 17, after "development" insert "with the approval of the executive council"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 38 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Anderson, D.	Anderson, G.	Anderson, I.	Battaglia	Begich
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Berglin	Greenfield	Kempe	Nelson	Valan
Berkelman	Haukoos	Kroening	Rice	Vanasek
Byrne	Jacobs	Kvam	Rodriguez	Voss
Casserly	Jaros	Long	Sieben, H.	Wenzel
Clark	Jennings	Ludeman	Stoa	Wynia
Corbid	Kahn	Mann	Swanson	
Eken	Kelly	Moe	Tomlinson	

Those who voted in the negative were:

Aasness	Erickson	Kaley	Nysether	Searle
Ainley	Esau	Kalis	Olsen	Searles
Albrecht	Evans	Knickerbocker	Onnen	Sherwood
Anderson, B.	Ewald	Kostohryz	Osthoff	Sieben, M.
Anderson, R.	Faricy	Laidig	Patton	Simoneau
Biersdorf	Fjoslien	Lehto	Pehler	Stadum
Blatz	Forsythe	Levi	Peterson, B.	Stowell
Brinkman	Friedrich	Luknic	Peterson, D.	Sviggum
Carlson, D.	Fritz	McDonald	Piepho	Thiede
Carlson, L.	Fudro	McEachern	Pleasant	Valento
Clawson	Halberg	Mehrkens	Prahl	Weaver
Crandall	Heap	Munger	Redalen	Welch
Dean	Heinitz	Murphy	Reding	Welker
Dempsey	Hoberg	Nelsen, B.	Rees	Wieser
Den Ouden	Hokanson	Nelsen, M.	Reif	Wigley
Drew	Johnson, C.	Niehaus	Rothenberg	Zubay
Elioff	Johnson, D.	Norman	Sarna	Spkr. Norton
Ellingson	Jude	Novak	Schreiber	

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

Anderson, G., moved that H. F. No. 2045 be re-referred to the Committee on Taxes.

A roll call was requested and properly seconded.

The question was taken on the motion to re-refer and the roll was called. There were 18 yeas and 108 nays as follows:

Those who voted in the affirmative were:

Ainley	Fjoslien	Kvam	Stoa	Wenzel
Anderson, G.	Fritz	Ludeman	Sviggum	Wynia
Anderson, R.	Hoberg	Onnen	Valento	
Den Ouden	Kahn	Reif	Welker	

Those who voted in the negative were:

Aasness	Byrne	Elioff	Halberg	Kaley
Albrecht	Carlson, D.	Ellingson	Haukoos	Kalis
Anderson, B.	Carlson, L.	Erickson	Heap	Kelly
Anderson, D.	Casserly	Esau	Heinitz	Kempe
Anderson, I.	Clark	Evans	Hokanson	Knickerbocker
Battaglia	Clawson	Ewald	Jacobs	Kostohryz
Begich	Crandall	Faricy	Jaros	Kroening
Berkelman	Dean	Forsythe	Jennings	Laidig
Biersdorf	Dempsey	Friedrich	Johnson, C.	Lehto
Blatz	Drew	Fudro	Johnson, D.	Levi
Brinkman	Eken	Greenfield	Jude	Luknic

Mann	Nelson	Pleasant	Searle	Vanasek
McDonald	Niehaus	Prahl	Sherwood	Voss
McEachern	Norman	Redalen	Sieben, H.	Waldorf
Mehrkens	Novak	Reding	Sieben, M.	Weaver
Metzen	Nysether	Rees	Simoneau	Welch
Minne	Olsen	Rice	Stadum	Wieser
Moe	Patton	Rodriguez	Stowell	Wigley
Munger	Pehler	Rose	Swanson	Zubay
Murphy	Peterson, B.	Rothenberg	Thiede	Spkr. Norton
Nelsen, B.	Peterson, D.	Sarna	Tomlinson	
Nelsen, M.	Piepho	Schreiber	Valan	

The motion did not prevail.

H. F. No. 2045, A bill for an act relating to economic development; creating a small business finance agency with authority to sell tax exempt revenue bonds to provide loans for small business projects; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 103 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Kelly	Novak	Sherwood
Albrecht	Elioff	Kempe	Olsen	Sieben, H.
Anderson, B.	Ellingson	Knickerbocker	Osthoff	Sieben, M.
Anderson, D.	Erickson	Kostohryz	Patton	Simoneau
Anderson, I.	Esau	Kroening	Pehler	Stadum
Anderson, R.	Evans	Laidig	Peterson, B.	Stowell
Battaglia	Ewald	Lehto	Peterson, D.	Sviggum
Begich	Fjoslien	Levi	Piepho	Swanson
Berglin	Forsythe	Long	Pleasant	Thiede
Berkelman	Friedrich	Luknic	Prahl	Tomlinson
Biersdorf	Fudro	Mann	Redalen	Valan
Blatz	Greenfield	McEachern	Reding	Vanasek
Brinkman	Heap	Mehrkens	Rees	Voss
Byrne	Heinitz	Metzen	Reif	Waldorf
Carlson, D.	Hokanson	Minne	Rice	Welch
Carlson, L.	Jacobs	Moe	Rodriguez	Wenzel
Casserly	Johnson, C.	Munger	Rose	Wieser
Clark	Johnson, D.	Murphy	Rothenberg	Zubay
Clawson	Jude	Nelsen, M.	Sarna	Spkr. Norton
Crandall	Kaley	Nelson	Schreiber	
Dean	Kalis	Niehaus	Searles	

Those who voted in the negative were:

Ainley	Farcy	Kvam	Onnen	Wigley
Anderson, G.	Fritz	Ludeman	Searle	Wynia
Corbid	Halberg	McDonald	Stoa	
Den Ouden	Hoberg	Nelsen, B.	Valento	
Drew	Jennings	Norman	Weaver	
Eken	Kahn	Nysether	Welker	

The bill was passed and its title agreed to.

H. F. No. 1655, A bill for an act relating to pollution; recognizing the extent and severity of the problem of acid precipitation; appropriating funds and designating state agencies and departments to conduct activities designed to identify, control and abate acid precipitation.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kalis	Niehaus	Sherwood
Anderson, B.	Erickson	Kelly	Norman	Sieben, H.
Anderson, D.	Esau	Kempe	Novak	Sieben, M.
Anderson, G.	Evans	Knickerbocker	Nysether	Simoneau
Anderson, I.	Ewald	Kostohryz	Olsen	Stadum
Anderson, R.	Farcy	Kroening	Onnen	Stoa
Battaglia	Fjoslien	Kvam	Osthoff	Stowell
Begich	Forsythe	Laidig	Patton	Sviggum
Berglin	Friedrich	Lehto	Pehler	Swanson
Berkelman	Fritz	Levi	Peterson, B.	Thiede
Biersdorf	Fudro	Long	Peterson, D.	Tomlinson
Blatz	Greenfield	Ludeman	Piepho	Valan
Brinkman	Halberg	Luknie	Pleasant	Valento
Byrne	Haukoos	Mann	Prahl	Vanasek
Carlson, D.	Heap	McCarron	Redalen	Voss
Carlson, L.	Heinitz	McDonald	Reding	Waldorf
Casserly	Hoberg	McEachern	Rees	Weaver
Clark	Hokanson	Mehrkens	Reif	Weich
Clawson	Jacobs	Metzen	Rice	Welker
Crandall	Jaros	Minne	Rodriguez	Wenzel
Dean	Jennings	Moe	Rose	Wieser
Dempsey	Johnson, C.	Munger	Rothenberg	Wigley
Den Ouden	Johnson, D.	Murphy	Sarna	Wynia
Drew	Jude	Nelsen, B.	Schreiber	Zubay
Eken	Kahn	Nelsen, M.	Searle	Spkr. Norton
Elioff	Kaley	Nelson	Searles	

The bill was passed and its title agreed to.

H. F. No. 2353 was reported to the House.

Ludeman moved that H. F. No. 2353 be re-referred to the Committee on Governmental Operations.

A roll call was requested and properly seconded.

The question was taken on the motion to re-refer and the roll was called. There were 21 yeas and 107 nays as follows:

Those who voted in the affirmative were:

Aasness	Brinkman	Erickson	Halberg	Kaley
Ainley	Carlson, D.	Friedrich	Haukoos	Ludeman
Anderson, R.	Den Ouden	Fritz	Jennings	Redalen

Reif
Sviggum

Thiede

Valento

Welker

Wieser

Those who voted in the negative were:

Albrecht	Elioff	Kostohryz	Norman	Sieben, H.
Anderson, B.	Ellingson	Kroening	Novak	Sieben, M.
Anderson, D.	Esau	Kvam	Nysether	Simoneau
Anderson, G.	Evans	Laidig	Olsen	Stadum
Anderson, I.	Ewald	Lehto	Onnen	Stoa
Battaglia	Faricy	Levi	Osthoff	Stowell
Begich	Fjoslien	Long	Patton	Swanson
Berglin	Forsythe	Luknic	Pehler	Tomlinson
Berkelman	Fudro	Mann	Peterson, B.	Valan
Biersdorf	Greenfield	McCarron	Peterson, D.	Vanasek
Blatz	Heap	McDonald	Piepho	Voss
Byrne	Hoberg	McEachern	Pleasant	Waldorf
Carlson, L.	Hokanson	Mehrkens	Prahl	Weaver
Casserly	Jacobs	Metzen	Reding	Welch
Clark	Johnson, C.	Minne	Rees	Wenzel
Clawson	Johnson, D.	Moe	Rice	Wigley
Corbid	Jude	Munger	Rodriguez	Wynia
Crandall	Kahn	Murphy	Rothenberg	Zubay
Dean	Kalis	Nelsen, B.	Sarna	Spkr. Norton
Dempsey	Kelly	Nelsen, M.	Schreiber	
Drew	Kempe	Nelson	Searle	
Eken	Knickerbocker	Niehaus	Sherwood	

The motion did not prevail.

H. F. No. 2353, A bill for an act relating to water resources; continuing the water planning board; changing its membership and duties; appropriating money; amending Minnesota Statutes 1978, Section 105.401; and Laws 1979, Chapter 333, Section 31, Subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 104 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Crandall	Jaros	Mann	Onnen
Anderson, D.	Dean	Johnson, C.	McCarron	Osthoff
Anderson, G.	Dempsey	Johnson, D.	McDonald	Patton
Anderson, I.	Eken	Jude	McEachern	Pehler
Battaglia	Elioff	Kahn	Mehrkens	Peterson, B.
Begich	Ellingson	Kaley	Metzen	Peterson, D.
Berglin	Evans	Kalis	Minne	Piepho
Berkelman	Ewald	Kelly	Moe	Prahl
Biersdorf	Faricy	Kempe	Munger	Reding
Blatz	Forsythe	Knickerbocker	Murphy	Rees
Byrne	Fudro	Kostohryz	Nelsen, B.	Rice
Carlson, D.	Greenfield	Kroening	Nelsen, M.	Rodriguez
Carlson, L.	Halberg	Laidig	Nelson	Rose
Casserly	Haukoos	Lehto	Norman	Rothenberg
Clark	Heap	Levi	Novak	Sarna
Clawson	Hokanson	Long	Nysether	Schreiber
Corbid	Jacobs	Luknic	Olsen	Searle

Sherwood	Stadum	Tomlinson	Waldorf	Wynia
Sieben, H.	Stoa	Valan	Welch	Zubay
Sieben, M.	Stowell	Vanasek	Wenzel	Spkr. Norton
Simoneau	Swanson	Voss	Wigley	

Those who voted in the negative were:

Aasness	Drew	Hoberg	Redalen	Welker
Ainley	Erickson	Jennings	Reif	Wieser
Albrecht	Esau	Kvam	Searles	
Anderson, R.	Fjoslien	Ludeman	Sviggum	
Brinkman	Friedrich	Niehaus	Thiede	
Den Ouden	Fritz	Pleasant	Valento	

The bill was passed and its title agreed to.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1169:

Weaver, Schreiber, and Begich.

There being no objection the order of business reverted to Introduction and First Reading of House Bills.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Begich introduced:

H. F. No. 2479, A bill for an act relating to solid waste pollution; requiring beverage containers to have certain refund values after a certain date; establishing and regulating local redemption centers; providing penalties.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Vanasek introduced:

H. F. No. 2480, A bill for an act relating to crimes; delaying implementation of sentencing guidelines; amending Minnesota Statutes 1978, Sections 244.04, Subdivision 2; 244.08, Subdivision 1; 244.09, Subdivision 12, and by adding a subdivision; and Laws 1978, Chapter 723, Article I, Section 20, Subdivision 2.

The bill was read for the first time and referred to the Committee on Criminal Justice.

Faricy, by request, introduced:

H. F. No. 2481, A bill for an act relating to labor; eliminating certain procedures and restrictions on wage rates for state projects and highway construction; repealing Minnesota Statutes 1978, Sections 177.41, 177.42, 177.43 and 177.44.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Voss requested immediate consideration of H. F. No. 2023.

H. F. No. 2023 was reported to the House.

Cassery and Sviggum moved to amend H. F. No. 2023 as follows:

Page 16, line 30, after "*controls*," insert "*the protection of agricultural and natural resources*,"

Page 26, line 11, delete "*the*" and insert "*agricultural and*"

Page 26, line 11, delete "*environment*,"

Page 26, line 11, delete everything after "*resources*"

Page 26, line 12, delete everything through "*values*,"

Page 41, line 28, after "*on*" delete "*the*" and insert "*agricultural and*"

Page 41, delete line 29

Page 41, line 30, delete "*aesthetic, and recreational values*," and insert "*resources*"

Page 45, line 18, after "on" delete "the" and insert "agricultural and"

Page 45, delete line 19

Page 45, line 20, delete "aesthetic, and recreational values," and insert "resources"

Page 94, line 27, after "controls," insert "the protection of agricultural and natural resources,"

Page 103, line 2, after "controls," insert "the protection of agricultural and natural resources,"

Page 114, line 32, after "on" insert "agricultural and"

The motion prevailed and the amendment was adopted.

Rees moved to amend H. F. No. 2023 as follows :

Page 146, after line 13, insert :

"Sec. 5. [SEWAGE SLUDGE DEMONSTRATION PROGRAM.] *For the fiscal year ending June 30, 1981, the sum of \$150,000 is appropriated to the pollution control agency, for a demonstration project to be conducted in consultation with the commissioner of natural resources which will evaluate the effects of the application of municipal sewage sludge to state-owned forest land. The project shall include economic and scientific analyses relating to tree growth, ecological effects, net energy impact, and the economic feasibility of large scale projects of a similar nature.*

By January 15, 1984, the director of the pollution control agency shall submit a written report to the legislature containing these analyses and any other pertinent information.

The complement of the department of natural resources is increased by one position in the unclassified service for this project, contingent upon the availability of money from the appropriation in this section. When the appropriation has been expended, this position shall be cancelled and the approved complement of the department reduced accordingly."

Amend the title as follows :

Page 1, line 12, after "facilities;" insert "authorizing a certain demonstration program related to municipal sewage sludge;"

The question was taken on the amendment and the roll was called. There were 36 yeas and 82 nays as follows :

Those who voted in the affirmative were:

Albrecht	Hoberg	Munger	Reif	Thiede
Anderson, D.	Jaros	Niehaus	Rothenberg	Valan
Biersdorf	Jennings	Nysether	Schreiber	Waldorf
Carlson, D.	Kaley	Olsen	Searle	Weaver
Dempsey	Kempe	Peterson, B.	Searles	
Esau	Kvam	Pleasant	Sherwood	
Evans	Ludeman	Redalen	Stadum	
Fritz	Mehrkens	Rees	Sviggum	

Those who voted in the negative were:

Aasness	Crandall	Jude	Nelsen, B.	Simoneau
Adams	Dean	Kahn	Nelson	Stoa
Ainley	Den Ouden	Kalis	Norman	Stowell
Anderson, G.	Eken	Kelly	Novak	Swanson
Anderson, I.	Elioff	Kostohryz	Onnen	Tomlinson
Anderson, R.	Ewald	Kroening	Osthoff	Vanasek
Battaglia	Faricy	Laidig	Patton	Voss
Begich	Fjoslien	Levi	Pehler	Welch
Berglin	Forsythe	Luknic	Peterson, D.	Welker
Berkelman	Fudro	Mann	Piepho	Wenzel
Blatz	Greenfield	McCarron	Prahl	Wieser
Brinkman	Halberg	McDonald	Reding	Wigley
Byrne	Haukoos	McEachern	Rice	Wynia
Carlson, L.	Hokanson	Metzen	Rodriguez	Spkr. Norton
Casserly	Jacobs	Minne	Sarna	
Clark	Johnson, C.	Moe	Sieben, H.	
Corbid	Johnson, D.	Murphy	Sieben, M.	

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

Pehler moved to amend H. F. No. 2023 as follows:

Delete "agency" and insert "board" in the following places:

Page 12, line 3; Page 19, line 15; Page 19, line 27; Page 19, line 28; Page 20, line 13; Page 49, line 10; Page 49, line 13; Page 49, line 30; Page 49, line 31; Page 49, line 33; Page 50, line 2; Page 50, line 5; Page 51, line 17; Page 52, line 17; Page 52, line 18; Page 52, line 21; Page 52, line 24; Page 52, line 29; Page 52, line 31; Page 53, line 6; Page 53, line 13; Page 53, line 26; Page 54, line 31; Page 55, line 4; Page 55, line 26; Page 56, line 22; Page 61, line 9; Page 62, line 20; Page 62, line 26; Page 62, line 33; Page 63, line 9; Page 63, line 12; Page 63, line 20; Page 63, line 23; Page 64, line 18; Page 64, line 29; Page 64, line 31; Page 65, line 14; Page 65, line 18; Page 65, line 25; Page 65, line 26; Page 65, line 32; Page 66, line 8; Page 66, line 12; Page 66, line 14; Page 66, line 25; Page 67, line 2; Page 67, line 7; Page 67, line 8; Page 67, line 11; Page 67, line 13; Page 67, line 16; Page 67, line 18; Page 67, line 25; Page 67, line 28; Page 76, line 15; Page 78, line 21; Page 85, line 29; Page 85, line 30; Page 120, line 12; Page 120, line 13; Page 144, line 30; Page 144, line 32

Page 20, line 12, delete "or agency"

Page 20, line 22, delete "or agency"

Page 57, line 26, delete "agency or"

Page 57, line 27, delete "agency or"

Page 58, line 1, delete "agency or"

Page 58, line 13, delete "agency or"

Page 144, after "AGENCY" insert "; WASTE MANAGEMENT BOARD"

Page 145, line 26, delete "14" and insert "eight"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 60 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Eken	Johnson, D.	Nysether	Searles
Anderson, R.	Ellingson	Kahn	Onnen	Sieben, H.
Berglin	Esau	Kaley	Osthoff	Sieben, M.
Berkelman	Evans	Kelly	Otis	Sviggum
Blatz	Ewald	Kempe	Pehler	Swanson
Brinkman	Faricy	Levi	Peterson, D.	Tomlinson
Byrne	Forsythe	Long	Pleasant	Valento
Casserly	Greenfield	Metzen	Prahl	Voss
Clark	Haukoos	Moe	Reding	Waldorf
Corbid	Heinitz	Nelson	Reif	Wieser
Dean	Hokanson	Norman	Schreiber	Wynia
Drew	Johnson, C.	Novak	Searle	Zubay

Those who voted in the negative were:

Aasness	Den Ouden	Knickerbocker	Munger	Rothenberg
Adams	Elioff	Kostohryz	Murphy	Sherwood
Ainley	Erickson	Kroening	Nelsen, B.	Simoneau
Albrecht	Fjoslien	Kvam	Niehaus	Stadum
Anderson, D.	Friedrich	Laidig	Olsen	Stowell
Battaglia	Fritz	Lehto	Patton	Thiede
Begich	Fudro	Ludeman	Peterson, B.	Valan
Biersdorf	Heap	Luknic	Piepho	Weaver
Carlson, D.	Hoberg	Mann	Redalen	Welch
Carlson, L.	Jacobs	McDonald	Rees	Welker
Clawson	Jaros	McEachern	Rice	Wenzel
Crandall	Jennings	Mehrkens	Rodriguez	Wigley
Dempsey	Jude	Minne	Rose	

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

Sieben, M., moved to amend H. F. No. 2023 as follows:

Page 8, line 1, delete "six"

Page 26, line 23, delete "CANDIDATE"

Page 26, lines 24 and 25, delete "six locations" and insert "a location"

Page 26, line 25, delete "candidate sites" and insert "a site"

Page 26, line 26, after the period insert "Following the issuance of its certification of need pursuant to section 9, the board may select such additional sites for commercial hazardous waste disposal facilities as the certification may require. In selecting and reviewing such additional sites, the board and agency shall follow the procedures specified in sections 3, 5, 6, 7, 10, 11, 12, and 13."

Page 26, line 27, delete "candidate"

Page 26, line 32, delete "candidate"

Page 27, line 1, delete "on July 1, 1981,"

Page 27, line 2, delete "candidate"

Page 27, line 13, delete "candidate sites" and insert "a site"

Page 27, line 18, delete "candidate sites" and insert "a site"

Page 27, line 22, delete "candidate sites" and insert "a site"

Page 27, line 26, delete "candidate sites" and insert "a site"

Page 27, line 27, delete "candidate"

Page 28, line 1, delete "candidate sites" and insert "a site"

Page 28, line 6, delete "candidate"

Page 28, line 22, after the comma insert "and, for the first site,"

Page 28, line 25, delete "each candidate" and insert "the"

Page 28, line 29, delete "candidate"

Page 28, line 32, delete "a candidate" and insert "being considered as a"

Page 29, line 4, delete "each" and insert "the"

Page 29, line 13, delete "each" and insert "the"

Page 30, line 15, delete "each of the candidate" and insert "the"

Page 30, line 18, delete "each" and insert "the"

Page 30, line 26, delete "committees" and insert "committee"

Page 30, line 30, delete "committees" and insert "committee"

Page 30, line 33, delete "each" and insert "the"

Page 30, line 33, delete "a candidate" and insert "the"

Page 32, lines 20 and 21, delete "each candidate" and insert "the"

Page 32, line 31, delete "candidate sites" and insert "site"

Page 33, line 17, delete "committees" and insert "committee"

Page 33, line 17, delete "names" and insert "name"

Page 33, line 18, delete "representatives" and insert "representative"

Page 33, line 27, delete "each" and insert "the"

Page 33, line 27, delete "candidate"

Page 33, line 32, delete "Each" and insert "The"

Page 34, lines 11 and 12, delete "each candidate" and insert "the"

Page 34 delete line 21

Page 34, line 22, delete "and"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 42 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Crandall	Esau	Johnson, D.	Kroening
Anderson, I.	Eken	Ewald	Jude	Laidig
Begich	Elioff	Hoberg	Kelly	Mann
Brinkman	Erickson	Jacobs	Knickerbocker	McEachern

Mehrkens	Onnen	Redalen	Sviggum	Wenzel
Metzen	Osthoff	Reding	Swanson	Wieser
Minne	Patton	Sherwood	Tomlinson	
Murphy	Peterson, D.	Sieben, H.	Valan	
Niehaus	Prahl	Sieben, M.	Welch	

Those who voted in the negative were:

Aasness	Dempsey	Kempe	Olsen	Stadum
Ainley	Den Ouden	Kostohryz	Otis	Stoa
Albrecht	Drew	Kvam	Pehler	Stowell
Anderson, D.	Faricy	Lehto	Peterson, B.	Thiede
Battaglia	Fjoslien	Levi	Piepho	Valento
Berglin	Forsythe	Long	Pleasant	Weaver
Berkelman	Fudro	Luknic	Rees	Welker
Biersdorf	Greenfield	McDonald	Reif	Wigley
Blatz	Heap	Moe	Rice	Wynia
Byrne	Heinitz	Munger	Rodriguez	Zubay
Carlson, L.	Hokanson	Nelsen, B.	Rothenberg	Spkr. Norton
Casserly	Jennings	Nelson	Schreiber	
Clark	Johnson, C.	Norman	Searle	
Corbid	Kahn	Novak	Searles	
Dean	Kaley	Nysether	Simoneau	

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

Jude moved to amend H. F. No. 2023 as follows:

Page 17, line 7, after the period insert "*Land which is predominately comprised of Class I or II land according to the Land Capability Classification System of the Soil Conservation Service shall be used only as a last resort after all alternatives have been examined and found to be unreasonable.*"

Page 26, line 19, after the period insert "*Land which is predominantly comprised of Class I or II land according to the Land Capability Classification system of the Soil Conservation Service shall be used only as a last resort after all alternatives have been examined and found to be unreasonable.*"

Page 42, after line 13, insert "*Land which is predominately comprised of Class I or II land according to the Land Capability Classification System of the Soil Conservation Service shall be used only as a last resort after all alternatives have been examined and found to be unreasonable.*"

Page 45, after line 29, insert "*Land which is predominately comprised of Class I or II land according to the Land Capability Classification System of the Soil Conservation Service shall be used only as a last resort after all alternatives have been examined and found to be unreasonable.*"

Page 87, line 25, after the period insert "*Land which is predominately comprised of Class I or II land according to the Land Capability Classification System of the Soil Conservation Ser-*

vice shall be used only as a last resort after all alternatives have been examined and found to be unreasonable."

Page 95, line 11, after the period insert "*Land which is predominately comprised of Class I or II land according to the Land Capability Classification System of the Soil Conservation Service shall be used only as a last resort after all alternatives have been examined and found to be unreasonable."*

Page 103, line 1, after the period insert "*Land which is predominately comprised of Class I or II land according to the Land Capability Classification System of the Soil Conservation Service shall be used only as a last resort after all alternatives have been examined and found to be unreasonable."*

Page 115, after line 11, insert "*Land which is predominately comprised of Class I or II land according to the Land Capability Classification System of the Soil Conservation Service shall be used only as a last resort after all alternatives have been examined and found to be unreasonable."*

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 53 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Jude	Onnen	Stadum
Adams	Den Ouden	Knickerbocker	Osthoff	Stowell
Albrecht	Eken	Ludeman	Peterson, D.	Sviggum
Anderson, B.	Esau	Luknic	Piepho	Thiede
Anderson, G.	Evans	Mann	Redalen	Welch
Anderson, R.	Ewald	McDonald	Sarna	Welker
Blatz	Fjoslien	McEachern	Schreiber	Wenzel
Brinkman	Friedrich	Metzen	Searle	Wieser
Byrne	Fudro	Nelsen, B.	Sherwood	Zubay
Carlson, D.	Hoberg	Niehaus	Sieben, H.	
Crandall	Johnson, D.	Nysether	Sieben, M.	

Those who voted in the negative were:

Anderson, D.	Fritz	Kvam	Otis	Stoa
Battaglia	Greenfield	Laidig	Patton	Swanson
Begich	Heap	Levi	Pehler	Valan
Berkelman	Heinitz	Long	Peterson, B.	Valento
Carlson, L.	Hokanson	McCarron	Pleasant	Vanasek
Casserly	Jacobs	Mehrkens	Prahl	Voss
Clark	Jennings	Minne	Rees	Waldorf
Corbid	Kahn	Moe	Rice	Weaver
Dean	Kaley	Murphy	Rodriguez	Wigley
Drew	Kelly	Nelson	Rose	Wynia
Elioff	Kempe	Norman	Rothenberg	Spkr. Norton
Faricy	Kostohryz	Novak	Searles	
Forsythe	Kroening	Olsen	Simoneau	

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

Jude moved to amend H. F. No. 2023 as follows:

Page 35, delete lines 1 to 15

Page 46, delete lines 18 to 32

Renumber the following sections

Page 83, line 4, delete "*The county*"

Page 83, delete lines 5 to 13

Page 83, line 14, delete everything before "*No*"

Page 84, lines 18 to 28, delete the added language

Page 98, line 28, delete "*, but*"

Page 98, delete lines 29 to 33

Page 99, delete lines 1 to 5 and insert a period

Page 110, lines 4 to 14, delete the added language

Page 113, line 4, to page 116, line 1, delete section 10

Renumber the following sections

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 35 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Adams	Esau	Jude	Metzen	Stadum
Anderson, B.	Evans	Kalis	Nelsen, M.	Stowell
Anderson, I.	Fjoslien	Kempe	Niehaus	Sviggunn
Biersdorf	Fudro	Knickerbocker	Nysether	Welch
Carlson, D.	Jacobs	Ludeman	Onnen	Welker
Den Ouden	Jennings	Luknic	Redalen	Wenzel
Erickson	Johnson, D.	McEachern	Sieben, H.	Wigley

Those who voted in the negative were:

Ainley	Carlson, L.	Eken	Haukoos	Kostohryz
Albrecht	Casserly	Elioff	Heinitz	Kroening
Anderson, D.	Clark	Ellingson	Hoberg	Kvam
Anderson, G.	Clawson	Ewald	Hokanson	Laidig
Battaglia	Corbid	Faricy	Jaros	Lehto
Begich	Crandall	Forsythe	Johnson, C.	Levi
Berglin	Dean	Fritz	Kahn	Long
Berkelman	Dempsey	Greenfield	Kaley	Mann
Blatz	Drew	Halberg	Kelly	McCarron

Mehrkens	Olsen	Reif	Simoneau	Waldorf
Minne	Otis	Rice	Stoa	Wieser
Munger	Patton	Rodriguez	Swanson	Wynia
Murphy	Pehler	Rothenberg	Tomlinson	Zubay
Nelsen, B.	Peterson, D.	Schreiber	Valan	Spkr. Norton
Nelson	Piepho	Searle	Valento	
Norman	Reding	Searles	Vanasek	
Novak	Rees	Sieben, M.	Voss	

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

CALL OF THE HOUSE

On the motion of Dean and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Den Ouden	Johnson, D.	Murphy	Sarna
Adams	Drew	Jude	Nelsen, B.	Searle
Ainley	Eken	Kahn	Nelsen, M.	Searles
Albrecht	Ellingson	Kaley	Nelson	Sherwood
Anderson, B.	Erickson	Kalis	Niehaus	Sieben, H.
Anderson, D.	Esau	Kelly	Norman	Simoneau
Anderson, G.	Evans	Kempe	Novak	Stadium
Anderson, I.	Ewald	Knickerbocker	Nysether	Stoa
Battaglia	Faricy	Kostohryz	Olsen	Stowell
Berglin	Fjoslien	Laidig	Onnen	Sviggum
Berkelman	Forsythe	Lehto	Osthoff	Tomlinson
Biersdorf	Friedrich	Levi	Otis	Valan
Blatz	Fritz	Long	Patton	Valento
Brinkman	Fudro	Ludeman	Pehler	Vanasek
Byrne	Greenfield	Luknic	Peterson, D.	Voss
Carlson, D.	Halberg	Mann	Piepho	Waldorf
Carlson, L.	Haukoos	McCarron	Prahl	Weaver
Cassery	Heap	McDonald	Redalen	Welch
Clark	Heinitz	McEachern	Reding	Welker
Clawson	Hokanson	Mehrkens	Rees	Wenzel
Corbid	Jacobs	Metzen	Reif	Wieser
Crandall	Jaros	Minne	Rice	Wigley
Dean	Jennings	Moe	Rodriguez	Zubay
Dempsey	Johnson, C.	Munger	Rothenberg	Spkr. Norton

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Dean moved to amend H. F. No. 2023 as follows:

Page 142, after line 28, insert a new article to read as follows:

"ARTICLE XII

WASTE REDUCTION

Section 1. After July 1, 1981, no filled beverage container containing beer, soda water or other carbonated soft drink in liquid form sold in this state shall have a refund value of less

than 15 cents. The pollution control agency is directed to promulgate rules implementing this section by January 1, 1981."

Renumber the subsequent articles accordingly.

A roll call was requested and properly seconded.

POINTS OF ORDER

Carlson, D., raised a point of order pursuant to rule 5.8 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order not well taken and the amendment in order.

Begich raised a point of order pursuant to rule 3.10 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order not well taken and the amendment in order.

Biersdorf raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order not well taken and the amendment in order.

Begich appealed the decision of the chair.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker pro tem stand as the judgment of the House?" and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 116 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Jacobs	Mann	Pleasant
Adams	Den Ouden	Jaros	McCarron	Redalen
Ainley	Eken	Jennings	McDonald	Reding
Anderson, B.	Ellingson	Johnson, C.	McEachern	Rees
Anderson, D.	Erickson	Johnson, D.	Mehrkens	Reif
Anderson, G.	Esau	Jude	Munger	Rice
Anderson, R.	Evans	Kahn	Nelsen, B.	Rodriguez
Berglin	Ewald	Kaley	Nelson	Rothenberg
Berkelman	Faricy	Kalis	Niehaus	Sarna
Blatz	Fjoslien	Kelly	Norman	Schreiber
Brinkman	Forsythe	Kempe	Novak	Searle
Byrne	Friedrich	Knickerbocker	Nysether	Searles
Carlson, D.	Fudro	Kostohryz	Olsen	Sherwood
Carlson, L.	Greenfield	Kvam	Onnen	Sieben, H.
Cassery	Halberg	Laidig	Otis	Sieben, M.
Clark	Haukoos	Lehto	Patton	Simoneau
Clawson	Heap	Levi	Pehler	Stadum
Corbid	Heinitz	Long	Peterson, B.	Stoa
Crandall	Hoberg	Ludeman	Peterson, D.	Stowell
Dean	Hokanson	Luknic	Piepho	Sviggum

Swanson	Valento	Welch	Wigley	Zubay
Thiede	Vanasek	Welker	Wynia	Spkr. Norton
Tomlinson	Waldorf	Wenzel		
Valan	Weaver	Wieser		

Those who voted in the negative were:

Albrecht	Begich	Elioff	Metzen	Nelsen, M.
Anderson, I.	Biersdorf	Fritz	Minne	Osthoff
Battaglia	Drew	Kroening	Murphy	Prahl

So it was the judgment of the House that the decision of the Speaker pro tem should stand and that the amendment was in order.

Kostohryz moved to amend the Dean amendment to H. F. No. 2023, as follows:

After "containing" insert "milk, mineral water"

Delete "or other" and after "carbonated" insert "or noncarbonated"

A roll call was requested and properly seconded.

The question was taken on the Kostohryz amendment to the Dean amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 32 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Battaglia	Haukoos	Kostohryz	Piepho	Waldorf
Begich	Jaros	Lehto	Prahl	Wenzel
Berkelman	Jennings	Long	Reif	Wigley
Byrne	Jude	Metzen	Rodriguez	Spkr. Norton
Dempsey	Kalis	Minne	Searle	
Elioff	Kelly	Murphy	Simoneau	
Fudro	Kempe	Osthoff	Swanson	

Those who voted in the negative were:

Aasness	Carlson, L.	Esau	Hokanson	Luknic
Adams	Cassery	Evans	Jacobs	Mann
Ainley	Clark	Ewald	Johnson, C.	McCarron
Albrecht	Clawson	Fjoslien	Johnson, D.	McDonald
Anderson, B.	Corbid	Forsythe	Kahn	McEachern
Anderson, D.	Crandall	Friedrich	Kaley	Mehrkens
Anderson, I.	Dean	Fritz	Knickerbocker	Munger
Berglin	Den Ouden	Greenfield	Kroening	Nelsen, B.
Blatz	Drew	Heap	Kvam	Nelsen, M.
Brinkman	Ellingson	Heinitz	Laidig	Nelson
Carlson, D.	Erickson	Hoberg	Ludeman	Niehaus

Norman	Pehler	Rothenberg	Stadum	Vanasek
Novak	Peterson, B.	Sarna	Stoa	Weich
Nysether	Peterson, D.	Schreiber	Stowell	Welker
Olsen	Pleasant	Searles	Sviggum	Wieser
Onnen	Redalen	Sherwood	Thiede	Wynia
Otis	Rees	Sieben, H.	Valan	Zubay
Patton	Rice	Sieben, M.	Valento	

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

The question recurred on the Dean amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 40 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Aasness	Crandall	Greenfield	Long	Peterson, B.
Adams	Dean	Heinitz	Munger	Peterson, D.
Anderson, B.	Den Ouden	Jaros	Nelson	Rothenberg
Anderson, D.	Ellingson	Jude	Norman	Sherwood
Anderson, G.	Ewald	Kahn	Novak	Stoa
Berglin	Farcy	Kempe	Olsen	Vanasek
Carlson, L.	Fjoslien	Knickerbocker	Otis	Welch
Clark	Forsythe	Lehto	Pehler	Wynia

Those who voted in the negative were:

Ainley	Erickson	Kostohryz	Nysether	Sieben, M.
Albrecht	Esau	Kroening	Onnen	Simoneau
Anderson, I.	Evans	Kvam	Osthoff	Stadum
Anderson, R.	Friedrich	Laidig	Patton	Stowell
Battaglia	Fritz	Levi	Piepho	Sviggum
Begich	Fudro	Ludeman	Pleasant	Swanson
Berkelman	Halberg	Luknic	Prahl	Thiede
Biersdorf	Haukoos	Mann	Redalen	Tomlinson
Blatz	Heap	McCarron	Reding	Valan
Brinkman	Hoberg	McDonald	Rees	Valento
Byrne	Hokanson	McEachern	Reif	Voss
Carlson, D.	Jacobs	Mehrkens	Rice	Waldorf
Clawson	Jennings	Metzen	Rodriguez	Weaver
Corbid	Johnson, C.	Minne	Sarna	Welker
Dempsey	Johnson, D.	Murphy	Schreiber	Wenzel
Drew	Kaley	Nelsen, B.	Searle	Wieser
Eken	Kalis	Nelsen, M.	Searles	Wigley
Elioff	Kelly	Niehaus	Sieben, H.	Zubay

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

Sviggum moved to amend H. F. No. 2023, as follows:

Page 26, line 25, after "state" insert ", no more than one site per county,"

The motion prevailed and the amendment was adopted.

H. F. No. 2023, A bill for an act relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring hazardous waste management planning and development; establishing procedures for the review and approval of permits for waste facilities; authorizing debt; appropriating money; amending Minnesota Statutes 1978, Sections 116.06, Subdivisions 9, 10, 13, and by adding subdivisions; 116.07, Subdivisions 2, 4, 4a, and by adding subdivisions; 116.081, Subdivision 1; 116.101; 116.41; 400.03, Subdivision 1; 400.04; 400.06; 400.07; 400.13; 400.16; 400.161; 473.121, by adding a subdivision; 473.149; 473.502; 473.516; 473.801, Subdivision 1; 473.802; 473.803; 473.811; 473.813; 473.823, Subdivision 3, and by adding a subdivision; Chapter 400, by adding a section; and Chapter 473, by adding sections; repealing Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2 to 7; 473.121, Subdivisions 27 to 31c; 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 72B, Section 7.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 110 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kahn	Nelsen, B.	Rodriguez
Adams	Evans	Kaley	Nelson	Rose
Albrecht	Ewald	Kelly	Norman	Rothenberg
Anderson, B.	Faricy	Kempe	Novak	Sarna
Anderson, D.	Fjoslien	Knickerbocker	Nysether	Schreiber
Berglin	Forsythe	Kostohryz	Olsen	Searle
Blatz	Friedrich	Kroening	Osthoff	Searles
Brinkman	Fritz	Kvam	Otis	Sherwood
Byrne	Fudro	Laidig	Patton	Sieben, H.
Carlson, D.	Greenfield	Lehto	Pehler	Sieben, M.
Carlson, L.	Halberg	Levi	Peterson, B.	Simoneau
Casserly	Haukoos	Long	Peterson, D.	Stadum
Clark	Heap	Luknic	Piepho	Stoa
Clawson	Heinitz	Mann	Pleasant	Stowell
Corbid	Hoberg	McCarron	Prahl	Sviggum
Crandall	Hokanson	McDonald	Redalen	Swanson
Dean	Jacobs	Mehrkens	Reding	Tomlinson
Dempsey	Jaros	Metzen	Rees	Valan
Den Ouden	Johnson, C.	Munger	Reif	Valento
Drew	Johnson, D.	Murphy	Rice	Vanasek

Voss	Weaver	Wenzel	Wigley	Zubay
Waldorf	Welch	Wieser	Wynia	Spkr. Norton

Those who voted in the negative were:

Anderson, I.	Elioff	Jude	Minne	Thiede
Anderson, R.	Erickson	Kalis	Nelsen, M.	Welker
Battaglia	Esau	Ludeman	Niehaus	
Begich	Jennings	McEachern	Onnen	

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

CALL OF THE HOUSE LIFTED

Casserly moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

MOTION FOR RECONSIDERATION

Wenzel moved that the vote whereby H. F. No. 1878, as amended, was not passed on Special Orders for Tuesday, March 25, 1980, be now reconsidered. The motion prevailed.

H. F. No. 1878, as amended, was reported to the House.

H. F. No. 1878, A bill for an act relating to no-fault automobile insurance; coordinating benefits with medicare and workers' compensation; extending eligibility for the assigned claims plan; providing for mandatory uninsured motorist coverage; eliminating certain mandatory offers; amending Minnesota Statutes 1978, Sections 65B.46, Subdivision 2; 65B.49, by adding a subdivision; 65B.61, Subdivisions 1 and 2, and by adding subdivisions; 65B.64, Subdivision 1; repealing Minnesota Statutes 1978, Section 65B.49, Subdivisions 5 and 6.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 88 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, D.	Fjoslien	Kaley	McEachern
Adams	Carlson, L.	Forsythe	Kalis	Mehrkens
Ainley	Dean	Friedrich	Kelly	Munger
Albrecht	Dempsey	Fritz	Knickerbocker	Nelsen, B.
Anderson, B.	Den Ouden	Greenfield	Kostohryz	Nelson
Anderson, D.	Drew	Haukoos	Kvam	Niehaus
Anderson, G.	Eken	Heap	Laidig	Norman
Anderson, R.	Ellingson	Heinitz	Levi	Novak
Biersdorf	Erickson	Hokanson	Ludeman	Nysether
Blatz	Esau	Jennings	Luknic	Olsen
Brinkman	Evans	Johnson, C.	Mann	Onnen
Byrne	Ewald	Johnson, D.	McDonald	Osthoff

Patton	Reif	Sherwood	Tomlinson	Welker
Peterson, B.	Rose	Stadum	Valan	Wenzel
Piepho	Sarna	Stowell	Valento	Wigley
Redalen	Schreiber	Sviggum	Voss	Zubay
Reding	Searle	Swanson	Waldorf	
Rees	Searles	Thiede	Weaver	

Those who voted in the negative were:

Anderson, I.	Elioff	Kahn	Otis	Simoneau
Battaglia	Fariay	Kempe	Peterson, D.	Stoa
Begich	Fudro	Kroening	Pleasant	Vanasek
Berglin	Halberg	Long	Prahl	Wieser
Clawson	Jacobs	McCarron	Rice	Wynia
Corbid	Jaros	Metzen	Rodriguez	Spkr. Norton
Crandall	Jude	Minne	Sieben, M.	

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

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bill as a Special Order to be acted upon immediately preceding Special Orders pending for Wednesday, March 26, 1980:

S. F. No. 919.

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1962 and H. F. No. 2211, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Pehler moved that the rules be so far suspended that S. F. No. 1962 be substituted for H. F. No. 2211 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. No. 1962 was read for the second time.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, H., requested immediate consideration of S. F. Nos. 1764 and 1789; H. F. Nos. 2436 and 1612; and S. F. No. 1853.

S. F. No. 1764, A bill for an act relating to taxation; property tax; providing for uncontested hearings for property valuation; information to be included on valuation notices; clarifying the computation of agricultural aid credit; clarifying acreage available for homestead credit; prohibiting increases in valuation of property after appeals of market value; changing date for county board of equalization meeting and transfer of books to treasurer; changing penalty and interest rates; clarifying the role of administrative auditor in fiscal disparities; amending Minnesota Statutes 1978, Sections 270.11, Subdivision 6; 273.-121; 273.13, Subdivision 6a; 273.135, Subdivision 1; 274.01, Subdivision 1; 274.13, Subdivision 1; 274.14; 276.01; 279.01; 279.37, Subdivision 2; 282.01, Subdivisions 1 and 4; 282.222, Subdivision 4; 282.261; and 473F.08, by adding a subdivision; Minnesota Statutes, 1979 Supplement, Sections 273.13, Subdivision 6; and 282.15; repealing Minnesota Statutes 1978, Sections 275.31; 275.32; 275.33; 275.34; 275.35; and 473F.08, Subdivisions 7 and 8.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Norman	Sieben, H.
Adams	Ellingson	Kalis	Novak	Sieben, M.
Ainley	Erickson	Kempe	Nysether	Simoneau
Anderson, B.	Esau	Knickerbocker	Olsen	Stadum
Anderson, D.	Evans	Kostohryz	Onnen	Stoa
Anderson, G.	Ewald	Kroening	Otis	Stowell
Anderson, I.	Faricy	Kvam	Patton	Swiggum
Anderson, R.	Fjoslien	Laidig	Pehler	Swanson
Battaglia	Forsythe	Lehto	Peterson, B.	Thiede
Begich	Friedrich	Levi	Peterson, D.	Tomlinson
Berglin	Fritz	Long	Piepho	Valan
Biersdorf	Fudro	Ludeman	Pleasant	Valento
Brinkman	Greenfield	Luknic	Prahl	Vanasek
Byrne	Halberg	Mann	Redalen	Voss
Carlson, D.	Haukoos	McCarron	Reding	Waldorf
Carlson, L.	Heap	McDonald	Rees	Weaver
Casserly	Heimitz	McEachern	Reif	Welch
Clark	Hoberg	Mehrrens	Rice	Welker
Clawson	Hokanson	Metzen	Rodriguez	Wenzel
Corbid	Jacobs	Minne	Rose	Wieser
Crandall	Jaros	Moe	Rothenberg	Wigley
Dean	Jennings	Munger	Sarna	Wynia
Dempsey	Johnson, C.	Murphy	Schreiber	Zubay
Den Ouden	Johnson, D.	Nelsen, M.	Searle	Spkr. Norton
Drew	Jude	Nelson	Searles	
Eken	Kahn	Niehaus	Sherwood	

The bill was passed and its title agreed to.

S. F. No. 1789, A bill for an act relating to taxation; estate tax; making technical adjustments and clarifying certain pro-

visions; amending Minnesota Statutes 1978, Sections 290.077, Subdivision 4; 291.07, Subdivision 3; 291.111, Subdivision 2; 291.15; 291.18; 291.32, Subdivision 1; 291.33, by adding a subdivision; 501.211, Subdivision 3, and by adding a subdivision; 524.3-505; 524.3-1003; 525.532, Subdivision 3; and Minnesota Statutes, 1979 Supplement, Sections 290.01, Subdivision 20; 290.14; 291.005, Subdivision 1; 291.01; 291.015; 291.03; 291.05; 291.051; 291.06; 291.07, Subdivision 1; 291.075; 291.09, Subdivisions 1a and 4a; 291.11, Subdivision 1; 291.132; 291.14; 291.215, Subdivision 1; 291.33, Subdivision 1; 291.48; 524.3-105; and 524.3-1001; repealing Minnesota Statutes 1978, Sections 291.17; 291.19, Subdivisions 1, 2 and 4; 291.20, Subdivision 4; and Minnesota Statutes, 1979 Supplement, Sections 291.111, Subdivision 1; and 291.19, Subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Niehaus	Sieben, H.
Adams	Elioff	Kalis	Norman	Sieben, M.
Ainley	Ellingson	Kelly	Novak	Simoneau
Albrecht	Erickson	Kempe	Nysether	Stadum
Anderson, B.	Esau	Knickerbocker	Olsen	Stoa
Anderson, D.	Evans	Kostohryz	Onnen	Stowell
Anderson, G.	Ewald	Kroening	Osthoff	Sviggum
Anderson, I.	Faricy	Kvam	Otis	Swanson
Anderson, R.	Fjoslien	Laidig	Patton	Thiede
Battaglia	Forsythe	Lehto	Pehler	Tomlinson
Begich	Friedrich	Levi	Peterson, B.	Valan
Berglin	Fritz	Long	Peterson, D.	Valento
Berkelman	Fudro	Ludeman	Piepho	Vanasek
Biersdorf	Greenfield	Luknic	Pleasant	Voss
Blatz	Halberg	Mann	Prahl	Waldorf
Brinkman	Haukoos	McCarron	Redalen	Weaver
Byrne	Heap	McDonald	Reding	Welch
Carlson, D.	Heinitz	McEachern	Rees	Welker
Carlson, L.	Hoberg	Mehrkens	Reif	Wenzel
Casserly	Hokanson	Metzen	Rice	Wieser
Clark	Jacobs	Minne	Rodriguez	Wigley
Corbid	Jaros	Moe	Rose	Wynia
Crandall	Jennings	Munger	Rothenberg	Zubay
Dean	Johnson, C.	Murphy	Sarna	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	
Den Ouden	Jude	Nelsen, M.	Searles	
Drew	Kahn	Nelson	Sherwood	

The bill was passed and its title agreed to.

H. F. No. 2436, A bill for an act relating to the city of Duluth; providing for certain city tax revenues; repealing Laws 1973, Chapter 461, as amended; and Laws 1977, Chapter 438, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 108 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kelly	Novak	Sherwood
Adams	Evans	Kempe	Nysether	Sieben, M.
Albrecht	Ewald	Knickerbocker	Olsen	Simoneau
Anderson, B.	Fjoslien	Kostohryz	Onnen	Stadum
Anderson, D.	Forsythe	Kroening	Otis	Stoa
Berglin	Friedrich	Kvam	Patton	Stowell
Berkelman	Fritz	Laidig	Pehler	Sviggum
Biersdorf	Fudro	Lehto	Peterson, B.	Swanson
Blatz	Greenfield	Levi	Peterson, D.	Thiede
Brinkman	Haukoos	Long	Piepho	Tomlinson
Byrne	Heap	Luknic	Pleasant	Valan
Carlson, L.	Heimitz	Mann	Prahl	Vanasek
Clark	Hoberg	McCarron	Redalen	Waldorf
Clawson	Hokanson	McDonald	Reding	Weaver
Crandall	Jaros	Mehrkens	Rees	Welch
Dean	Jennings	Minne	Reif	Wenzel
Dempsey	Johnson, C.	Munger	Rice	Wieser
Drew	Johnson, D.	Murphy	Rodriguez	Wigley
Eken	Jude	Nelsen, B.	Rose	Wynia
Elihoff	Kahn	Nelsen, M.	Rothenberg	Zubay
Ellingson	Kaley	Niehaus	Schreiber	
Erickson	Kalis	Norman	Searles	

Those who voted in the negative were:

Ainley	Begich	Jacobs	Sarna	Voss
Anderson, G.	Corbid	McEachern	Valento	Welker
Anderson, I.	Den Ouden	Metzen		
Battaglia	Faricy	Osthoff		

The bill was passed and its title agreed to.

H. F. No. 1612, A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing property tax relief; excepting the conveyance of certain land from restrictions on the filing and recording of conveyances; modifying the policy statement for municipal planning and development; appropriating money; amending Minnesota Statutes 1978, Sections 462.351; and 462.358, Subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 93 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Adams	Anderson, B.	Anderson, D.	Anderson, G.	Berglin
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Blatz	Greenfield	Levi	Otis	Sherwood
Brinkman	Halberg	Long	Patton	Sieben, H.
Byrne	Haukoos	Luknic	Pehler	Sieben, M.
Carlson, D.	Heap	Mann	Peterson, B.	Simoneau
Carlson, L.	Heinitz	McCarron	Peterson, D.	Stadum
Casserly	Hoberg	Mehrkens	Piepho	Stoa
Clark	Hokanson	Metzen	Pleasant	Stowell
Corbid	Jaros	Minne	Prahl	Sviggum
Dean	Johnson, C.	Moe	Redalen	Swanson
Eken	Jude	Murphy	Reding	Valan
Elioff	Kahn	Nelsen, M.	Rees	Valento
Ellingson	Kaley	Nelson	Reif	Vanasek
Erickson	Kempe	Niehaus	Rodriguez	Voss
Ewald	Knickerbocker	Norman	Rose	Weaver
Faricy	Kostohryz	Novak	Rothenberg	Wynia
Forsythe	Kvam	Nysether	Sarna	Spkr. Norton
Friedrich	Laidig	Olsen	Schreiber	
Fudro	Lehto	Osthoff	Searle	

Those who voted in the negative were:

Aasness	Biersdorf	Fritz	McDonald	Welch
Ainley	Clawson	Jacobs	McEachern	Welker
Albrecht	Dempsey	Jennings	Nelsen, B.	Wenzel
Anderson, I.	Den Ouden	Johnson, D.	Onnen	Wieser
Battaglia	Drew	Kalis	Thiede	Wigley
Begich	Esau	Kroening	Tomlinson	Zubay
Berkelman	Fjoslien	Ludeman	Waldorf	

The bill was passed and its title agreed to.

S. F. No. 1853 was reported to the House.

Jacobs moved to amend S. F. No. 1853, as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes, 1979 Supplement, Section 124.212, Subdivision 11, is amended to read:

Subd. 11. ((A)) In the calculation of adjusted assessed valuations for 1979 and each year thereafter, the committee shall not increase the adjusted assessed valuation of taxable property for any school district over the adjusted assessed valuation established and filed with the commissioner of education for the immediately preceding year by more than the greater of (1) 19 percent of the certified adjusted assessed valuation established and filed with the commissioner of education for the year immediately preceding, or (2) 40 percent of the difference between the district's total adjusted assessed valuation for the current year calculated without the application of this subdivision and the district's certified adjusted assessed valuation established and filed with the commissioner of education for the immediately preceding year.

((B)) THE SALES RATIO STUDIES PUBLISHED BY THE DEPARTMENT OF REVENUE, OR ANY PART

THEREOF, OR ANY COPY OF THE SAME, OR RECORDS ACCUMULATED IN PREPARATION THEREOF, WHICH ARE PREPARED BY THE COMMISSIONER OF REVENUE FOR THE EQUALIZATION AID REVIEW COMMITTEE FOR USE IN DETERMINING SCHOOL AIDS PURSUANT TO THIS SECTION SHALL NOT BE ADMISSIBLE IN EVIDENCE IN ANY PROCEEDING, EXCEPT THAT THE SALES RATIO STUDIES SHALL BE ADMISSIBLE AS A PUBLIC RECORD WITHOUT THE LAYING OF A FOUNDATION IN (1) ACTIONS UNDER CHAPTER 278 IN THE CASE OF PROPERTY DESCRIBED IN SECTION 273.13, SUBDIVISIONS 6, 6A, 7, 7B, 10 OR 12; (2) ACTIONS BROUGHT IN THE SMALL CLAIMS DIVISION OF THE TAX COURT; OR (3) IN ACTIONS FOR REVIEW OF THE DETERMINATION OF THE SCHOOL AIDS PAYABLE UNDER THIS SECTION.)

Sec. 2. Minnesota Statutes 1978, Section 271.01, Subdivision 1, is amended to read:

271.01 [CREATION.] Subdivision 1. [MEMBERSHIP, APPOINTMENT, QUALIFICATIONS.] There is hereby created a tax court as an independent agency of the executive branch of the government. The tax court shall consist of three judges, each of whom shall be a citizen of the state, appointed by the governor, by and with the advice and consent of the senate, for a term of six years commencing at the expiration of the preceding term. Any vacancy shall be filled by the governor for the unexpired term, subject to confirmation by the senate. The terms of the judges shall end on the first Monday in January. The terms of the judges shall be staggered. The initial three terms to be filled pursuant to Laws 1977, Chapter 307 will expire on the first Monday in January in the following years: 1979, 1981, and 1983. Judges may serve until their successors are appointed and qualify. They shall be *learned in the law and shall be* selected on the basis of their experience with and knowledge of taxation and tax laws. The judges of the tax court shall be subject to the provisions of the Minnesota Constitution, Article VI, Section 6, the jurisdiction of the commission on judicial standards, as provided in sections 490.15 and 490.16, and the provisions of the code of judicial conduct.

Sec. 3. Minnesota Statutes 1978, Section 278.01, Subdivision 1, is amended to read:

278.01 [DEFENSE OR OBJECTION TO TAX ON LAND; SERVICE AND FILING.] Subdivision 1. 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 *in comparison with other property in the city or county*, or that (SUCH) the 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 before the first day of June of the year in which (SUCH) *the* 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. *An appeal may also be taken to the tax court under chapter 271 at any time following receipt of the valuation notice required by section 273.121 but prior to June 1 of the year in which the taxes are payable.*

Sec. 4. Minnesota Statutes 1978, Section 278.05, is amended to read:

278.05 [TRIAL OF ISSUES.] *Subdivision 1.* (SUCH) *The* petition, without any answer, return, or other pleading thereto, shall (STAND FOR TRIAL AT ANY GENERAL TERM IN SESSION WHEN THE SAME IS FILED; OR, IF THE COURT BE NOT THEN IN SESSION,) *be tried* at the next (GENERAL OR SPECIAL) term (APPOINTED TO BE HELD IN THE COUNTY; AND, IF NO SUCH TERM BE APPOINTED TO BE HELD WITHIN 30 DAYS THEREAFTER, THE SAME SHALL BE BROUGHT TO TRIAL AT ANY GENERAL TERM APPOINTED TO BE HELD WITHIN THE JUDICIAL DISTRICT UPON TEN DAYS NOTICE) *of court. The court shall without delay summarily hear and determine the claims, objections or defenses made by the petition and shall direct judgment accordingly, and the trial shall disregard technicalities and matters of form not affecting the merits.*

Subd. 2. If the property on which the taxes have been levied is located in a home rule charter or statutory city or town which employs its own certified assessor, the attorney for that governmental unit may, within 20 days after receipt by the governmental unit of the copy of the petition forwarded by the county auditor, give notice to the county attorney and to the petitioner or his attorney that the home rule charter or statutory city or town is taking charge of and prosecuting the proceeding. If the attorney for the home rule charter or statutory city or town does not give (SUCH) notice, the attorney of the county in which these taxes are levied shall take charge of and prosecute (SUCH) *the* proceedings, but the county board may employ any other attorney to assist him. (AT THE TERM AT WHICH SUCH PETITION COMES ON FOR TRIAL IT SHALL TAKE

PRECEDENCE OF ALL OTHER BUSINESS BEFORE THE COURT. THE COURT SHALL WITHOUT DELAY SUMMARILY HEAR AND DETERMINE THE CLAIMS, OBJECTIONS, OR DEFENSES MADE BY THE PETITION AND SHALL DIRECT JUDGMENT ACCORDINGLY, AND THE TRIAL THEREOF SHALL DISREGARD ALL TECHNICALITIES AND MATTERS OF FORM NOT AFFECTING THE SUBSTANTIAL MERITS.)

Subd. 3. Assessor's records, including certificates of real estate value, assessor's field cards and property appraisal cards shall be made available to the petitioner for inspection and copying and may be offered at the trial subject to the applicable rules of evidence and rules governing pre-trial discovery and shall not be excluded from discovery or admissible evidence on the grounds that the documents and the information recorded thereon are confidential or classified as private data on individuals. Evidence of comparable sales of other property shall, within the discretion of the court, be admitted at the trial.

Subd. 4. The sales ratio studies published by the department of revenue, or any part of the studies, or any copy of the studies or records accumulated to prepare the studies which is prepared by the commissioner of revenue for the equalization aid review committee for use in determining school aids shall be admissible in evidence as a public record without the laying of a foundation.

Subd. 5. Any time after the filing of the petition and before the trial of the issues raised thereby, when the defense or claim presented is that the property has been partially, unfairly, or unequally assessed, or that (SUCH) the parcel has been assessed at a valuation greater than its real or actual value, or that a parcel which is classified as homestead under the provisions of section 273.13, subdivisions 6, 6a, 7, 7b, 10 or 12, 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 the parcel is located, for which the commissioner is able to establish and publish a sales ratio study, the attorney representing the state, county, city or town in the proceedings may serve on the petitioner, or his attorney, and file with the clerk of the district court, an offer to reduce the valuation of any tract or tracts to a valuation set forth in the offer. If, within ten days thereafter, the petitioner, or his attorney, (SHALL GIVE) gives notice in writing to the county attorney, or the attorney for the city or town, that the offer is accepted, he may file (SAME) the offer with proof of (SUCH) notice, and (THEREUPON) the clerk shall enter judgment accordingly. Otherwise, the offer shall be deemed withdrawn and evidence thereof shall not be given; and, (IF) unless a lower valuation than specified in the offer (BE NOT) is found by the court, no costs or disburse-

ments shall be allowed to the petitioner, but the costs and disbursements of the state, county, city or town, including interest at six percent on the tax based on the amount of (SUCH) *the* offer from and after the first day of November of the year (SUCH) *the* taxes are payable, shall be taxed in its favor and included in the judgment and when collected shall be credited to the county revenue fund, unless the taxes were paid in full before the first day of November of the year in which (SUCH) *the* taxes were payable, in which event interest shall not be taxable.

Sec. 5. Minnesota Statutes 1978, Section 278.08, is amended to read:

278.08 [INTEREST.] If the tax (BE) *is* sustained in full as levied, the judgment shall include any (PENALTIES OR) interest which (HAVE) *has* then accrued thereon for failure to pay the same, or any part thereof, at the time required by law. If the tax (BE) *is* reduced, no penalties and interest shall be included in the judgment because of the failure to pay (SUCH) *the* reduced tax prior to the entry thereof. The judgment shall be subject to (SUCH) interest or penalties as would under the law attach to the tax embraced therein after the entry thereof.

Sec. 6. *This act is effective the day after final enactment.*"

Further amend by striking the title and inserting:

"A bill for an act relating to taxation; removing limitations on the admissibility of sales ratio studies; providing that property tax court judges shall be learned in the law; providing that certain documents be made available to the petitioner and providing for their admittance as evidence; providing that tax court judgments will not include penalties; amending Minnesota Statutes 1978, Sections 271.01, Subdivision 1; 278.01, Subdivision 1; 278.05; and 278.08; Minnesota Statutes, 1979 Supplement, Section 124.212, Subdivision 11."

The motion prevailed and the amendment was adopted.

Anderson, I., moved to amend S. F. No. 1853, as amended, as follows:

Delete section 2 and renumber subsequent sections accordingly.

Further amend the title:

Lines 3, 4 and 5 delete "providing that property tax court judges shall be learned in the law;"

The motion prevailed and the amendment was adopted.

S. F. No. 1853, A bill for an act relating to taxation; removing limitations on the admissibility of sales ratio studies; providing that property tax court judges shall be learned in the law; providing that certain documents be made available to the petitioner and providing for their admittance as evidence; providing that tax court judgments will not include penalties; amending Minnesota Statutes 1978, Sections 271.01, Subdivision 1; 272.70; 278.-01, Subdivision 1; 278.05; and 278.08; Minnesota Statutes, 1979 Supplement, Section 124.212, Subdivision 11.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Nelsen, B.	Sarna
Adams	Eken	Kahn	Nelsen, M.	Searle
Ainley	Elioff	Kaley	Nelson	Sherwood
Albrecht	Ellingson	Kalis	Niehaus	Sieben, H.
Anderson, B.	Erickson	Kelly	Norman	Sieben, M.
Anderson, D.	Esau	Kempe	Novak	Simoneau
Anderson, G.	Evans	Knickerbocker	Nysether	Stadum
Anderson, I.	Ewald	Kostohryz	Olsen	Stoa
Anderson, R.	Faricy	Kroening	Onnen	Stowell
Battaglia	Fjoslien	Kvam	Osthoff	Sviggum
Begich	Forsythe	Laidig	Otis	Swanson
Berkelman	Friedrich	Lehto	Patton	Thiede
Biersdorf	Fritz	Levi	Pehler	Tomlinson
Blatz	Fudro	Long	Peterson, B.	Valan
Brinkman	Greenfield	Ludeman	Peterson, D.	Vanasek
Byrne	Halberg	Luknic	Piepho	Voss
Carlson, D.	Haukoos	Mann	Pleasant	Waldorf
Carlson, L.	Heap	McCarron	Prahl	Weaver
Casserly	Heimitz	McDonald	Redalen	Welch
Clark	Hoberg	McEachern	Reding	Welker
Clawson	Hokanson	Mehrkens	Rees	Wenzel
Corbid	Jacobs	Metzen	Reif	Wieser
Crandall	Jaros	Minne	Rice	Wigley
Dean	Jennings	Moe	Rodriguez	Wynia
Dempsey	Johnson, C.	Munger	Rose	Zubay
Den Ouden	Johnson, D.	Murphy	Rothenberg	Spkr. Norton

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

SPECIAL ORDERS

S. F. No. 919 was reported to the House.

Jennings moved to amend S. F. No. 919, the unofficial engrossment, as follows:

Page 2, line 13, after "may" insert "only"

Page 2, line 15, delete the period and insert: "and, if: (a) the town is situated in a county which has not repealed the code; or (b) a majority of the voters of the town approve the employment of a building official at an election held on the issue. Notwithstanding any law to the contrary, the issue shall be placed on the ballot for the voters of the town pursuant to clause (b), only after a petition requesting the employment of a building official has been filed with the town board, which petition has been validly signed by eligible voters in the town totalling at least eight percent of the total number of votes cast in the town for all candidates for governor at the last gubernatorial election."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 35 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Heinitz	Mehrkens	Stadum
Ainley	Evans	Hoberg	Nysether	Sviggum
Albrecht	Ewald	Jennings	Olsen	Thiede
Biersdorf	Fjoslien	Kaley	Piepho	Valan
Dempsey	Forsythe	Levi	Pleasant	Valento
Den Ouden	Fritz	Ludeman	Rees	Welker
Drew	Haukoos	McDonald	Rothenberg	Wigley

Those who voted in the negative were:

Adams	Dean	Kelly	Niehaus	Simoneau
Anderson, B.	Eken	Kempe	Norman	Stoa
Anderson, D.	Elioff	Kostohryz	Novak	Stowell
Anderson, G.	Ellingson	Kroening	Onnen	Swanson
Anderson, I.	Erickson	Kvam	Osthoff	Tomlinson
Anderson, R.	Faricy	Laidig	Otis	Vanasek
Battaglia	Fudro	Lehto	Patton	Voss
Begich	Greenfield	Long	Pehler	Waldorf
Berglin	Halberg	Luknic	Peterson, B.	Weaver
Berkelman	Heap	Mann	Peterson, D.	Welch
Blatz	Hokanson	McCarron	Reding	Wenzel
Brinkman	Jacobs	McEachern	Rice	Wieser
Byrne	Jaros	Metzen	Rodriguez	Wynia
Carlson, L.	Johnson, C.	Minne	Rose	Zubay
Casserly	Johnson, D.	Munger	Sarna	Spkr. Norton
Clark	Jude	Murphy	Sherwood	
Clawson	Kahn	Nelsen, M.	Sieben, H.	
Corbid	Kalis	Nelson	Sieben, M.	

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

Ludeman moved to amend S. F. No. 919, the unofficial engrossment, as follows:

Page 2, after line 18, insert:

“Sec. 2. Minnesota Statutes 1978, Chapter 16, is amended by adding a section to read:

[16.869] [REFERENDA ON STATE BUILDING CODE IN NON-METROPOLITAN CITIES AND TOWNS.] *Notwithstanding any contrary provision of law, a home rule charter or statutory city, or a town as defined in section 368.01, subdivision 1, which has 7,500 or fewer inhabitants and is not in a metropolitan county as defined in section 473.121, subdivision 4, whether or not the city or town adopted the state building code prior to January 1, 1977, may provide, by a vote of the majority of its electors, that no portion of the state building code except the building requirements for handicapped persons shall apply within its jurisdiction.*

The governing body may, and upon petition therefor signed by voters equal in number to at least five percent of those voting in the last general election shall submit to the voters at a regular or special election the question of adopting the building code. The question on the ballot shall be stated substantially as follows: “Shall the state building code be adopted in?”

If the majority of the votes cast on the proposition is in the negative, the state building code shall not apply in the city or town, except the building requirements for handicapped persons shall apply.”

Renumber the remaining sections

Page 4, line 6, delete “Section 1 is” and insert “Sections 1 and 2 are”

Page 4, line 7, delete “2, 3, and 4” and insert “3, 4, and 5”

Further amend the title as follows:

Page 1, line 5 after the semicolon insert “providing for certain referenda on the state building code;”

Page 1, line 9, before the period insert “and Chapter 16, by adding a section”

A roll call was requested and properly seconded.

Carlson, D., and Nelson were excused for the remainder of today's session.

CALL OF THE HOUSE

On the motion of Vanasek and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Elioff	Kaley	Norman	Sieben, H.
Adams	Ellingson	Kalis	Novak	Sieben, M.
Ainley	Erickson	Kelly	Nysether	Simoneau
Albrecht	Esau	Kempe	Olsen	Stadum
Anderson, B.	Ewald	Knickerbocker	Onnen	Stoa
Anderson, D.	Faricy	Kostohryz	Osthoff	Stowell
Anderson, G.	Fjoslien	Kroening	Otis	Sviggum
Anderson, I.	Forsythe	Kvam	Patton	Swanson
Battaglia	Friedrich	Laidig	Pehler	Thiede
Begich	Fritz	Lehto	Peterson, B.	Tomlinson
Berglin	Fudro	Levi	Peterson, D.	Valan
Berkelman	Greenfield	Long	Piepho	Valento
Biersdorf	Halberg	Ludeman	Pleasant	Vanasek
Blatz	Haukoos	Luknic	Prahl	Voss
Brinkman	Heap	Mann	Redalen	Waldorf
Carlson, L.	Heinitz	McCarron	Reding	Weaver
Casserly	Hoberg	McEachern	Rees	Welch
Clark	Hokanson	Mehrkens	Reif	Welker
Clawson	Jacobs	Minne	Rice	Wenzel
Corbid	Jaros	Moe	Rodriguez	Wieser
Crandall	Jennings	Munger	Rose	Wigley
Dean	Johnson, C.	Murphy	Rothenberg	Wynia
Den Ouden	Johnson, D.	Nelsen, B.	Sarna	Zubay
Drew	Jude	Nelsen, M.	Searle	Spkr. Norton
Eken	Kahn	Niehaus	Sherwood	

Vanasek moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Corbid moved to amend the Ludeman amendment to S. F. No. 919, as follows:

Page 1, line 10, delete "7,500" insert "1,000,000"

Page 1, line 10, after "*inhabitants*" insert a period and strike the balance of the line

Page 1, delete line 11

Page 1, line 12, delete "*subdivision 4.*"

A roll call was requested and properly seconded.

The question was taken on the Corbid amendment to the Ludeman amendment and the roll was called. There were 61 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Adams	Eken	Kroening	Nysether	Sieben, M.
Anderson, B.	Ellingson	Lehto	Olsen	Simoneau
Anderson, G.	Fudro	Long	Osthoff	Stadum
Anderson, I.	Greenfield	Luknic	Otis	Stoa
Berglin	Hoberg	Mann	Patton	Stowell
Berkelman	Hokanson	McCarron	Pehler	Vanasek
Brinkman	Jaros	McEachern	Prahl	Welch
Byrne	Johnson, C.	Metzen	Reding	Wieser
Cassery	Jude	Moe	Rice	Wynia
Clark	Kahn	Munger	Rodriguez	
Clawson	Kalis	Nelsen, M.	Sarna	
Corbid	Kempe	Nelson	Sherwood	
Dean	Kostohryz	Novak	Sieben, H.	

Those who voted in the negative were:

Aasness	Elioff	Jennings	Norman	Swanson
Ainley	Erickson	Johnson, D.	Onnen	Thiede
Albrecht	Esau	Kaley	Peterson, B.	Tomlinson
Anderson, D.	Ewald	Kelly	Peterson, D.	Valan
Anderson, R.	Faricy	Knickerbocker	Piepho	Valento
Battaglia	Fjoslien	Kvam	Pleasant	Voss
Begich	Forsythe	Laidig	Redalen	Waldorf
Biersdorf	Friedrich	Levi	Rees	Weaver
Blatz	Fritz	Ludeman	Reif	Welker
Carlson, L.	Halberg	McDonald	Rose	Wenzel
Crandall	Haukoos	Mehrkens	Rothenberg	Wigley
Dempsey	Heap	Minne	Searle	Zubay
Den Ouden	Heinitz	Nelsen, B.	Searles	
Drew	Jacobs	Niehaus	Sviggum	

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

Kahn moved to amend the Ludeman amendment to S. F. No. 919 as follows:

At the end of the Ludeman amendment add:

"Sec. 3. No emergency residential heating grants or emergency conservation grants shall be expended in any area of the state that has repealed the state building code."

Renumber remaining sections

A roll call was requested and properly seconded.

Sieben, H., moved that the bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Voss from the Committee on Appropriations to which was referred:

H. F. No. 160, A bill for an act relating to welfare; changing income disregard provisions for certain medical assistance recipients and certain supplemental aid recipients; amending Minnesota Statutes 1978, Sections 256B.06, Subdivision 1; and 256D.37, Subdivisions 1 and 2; repealing Minnesota Statutes 1978, Section 256B.36.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 256B.06, Subdivision 1, is amended to read:

256B.06 [ELIGIBILITY REQUIREMENTS.] Subdivision 1. Medical assistance may be paid for any person:

(1) Who is eligible for or receiving public assistance under the aid to families with dependent children program; or

(2) Who is eligible for or receiving supplemental security income for the aged, blind and disabled; or

(3) Who except for the amount of income or resources would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children and is in need of medical assistance; or

(4) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(5) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(6) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

(7) Who alone, or together with his spouse, does not own real property other than the homestead. Real estate not used

as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price; and

(8) Who, if single, does not have more than \$2,000 in cash or liquid assets, plus \$150 for each additional legal dependent or, if married, whose cash or liquid assets do not exceed \$10,000, except that the value of the homestead and one automobile shall be disregarded; and

(9) Who has or anticipates receiving an annual income not in excess of \$2,600 for a single person, or \$3,250 for two family members (man and wife, parent and child, or two siblings), plus \$625 for each additional legal dependent, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In computing income to determine eligibility of persons who are not residents of long term care facilities, the commissioner shall, beginning in July 1979, disregard increases in income of social security or supplementary security income recipients due solely to increases required by sections 215(i) and 1617 of the social security act. *In assessing income, the income disregard available to disabled persons who are not residents of long term care facilities in determining eligibility for supplemental aid under Minnesota Statutes, Section 256D.37, Subdivision 1, shall be applied to disabled persons who are not residents of long term care facilities under this section.* In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred.

(10) Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care. The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care and shall seek a waiver from federal regulations which establish the amount required to be contributed by either spouse when one spouse is a nursing home resident; and

(11) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs

of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 256D.37, Subdivision 1, is amended to read:

256D.37 [NEW APPLICANTS AND RECIPIENTS; PROVISIONS FOR SUPPLEMENTAL AID.] Subdivision 1. For all applicants for or recipients of supplemental security income who did not receive aid pursuant to any categorical aid program referred to in section 256D.36 during December, 1973, and who make application to the appropriate local agency, the local agency shall determine whether the individual meets the eligibility criteria prescribed in subdivision 2. For each individual who meets the relevant eligibility criteria prescribed in subdivision 2, the local agency shall certify to the commissioner the amount of supplemental aid to which the individual is entitled in accordance with all of the standards in effect December 31, 1973, for the appropriate categorical aid program. In computing the amount of supplemental aid under this section, the local agency shall deduct from the gross amount of the individual's determined needs all income, subject to the criteria for income disregards in effect December 31, 1973, for the appropriate categorical aid program, *except that the earned income disregard for disabled persons who are residents of long term care facilities shall be the same as the earned income disregard available to disabled persons in the supplemental security income program and all actual work expenses shall be deducted when determining the amount of income of the individual.* From and after the first of the month in which an effective application is filed, the state and the county shall share responsibility for the payment of the supplemental aid to which the individual is entitled under this section as provided in section 256D.36.

Sec. 3. Minnesota Statutes 1978, Section 256D.37, Subdivision 2, is amended to read:

Subd. 2. The eligibility criteria for supplemental aid under this section shall be those in effect December 31, 1973 for the categorical aid programs of old age assistance, aid to the blind, and aid to the disabled except that *in determining eligibility for disabled individuals who are not residents of long term care facilities all actual work expenses shall be disregarded and the earned income disregard shall be the same as the earned income disregard used to determine eligibility for disabled individuals in the supplemental security income program, and except that net equity of \$25,000 in one home used as a residence, one auto-*

mobile the market value of which does not exceed \$1,650, and real estate not used as a home which produces net income applicable to the family's needs or which the family is making a continuing effort to sell at a fair and reasonable price, are to be disregarded in determining eligibility. The commissioner of public welfare shall annually adjust the limitation on net equity in real property used as a home by the same percentage as the homestead base value index provided in section 273.122, subdivision 2. The local agency shall apply the relevant criteria to each application. The local agency in its discretion may permit eligibility of an applicant having assets in excess of the amount prescribed in this section if liquidation of the assets would cause undue loss or hardship.

Sec. 4. [APPROPRIATIONS.] *The sum of \$80,500 is appropriated from the general fund to the commissioner of public welfare for the purposes of this act.*"

Delete the title in its entirety and insert:

"A bill for an act relating to welfare; changing income disregard provisions for certain medical assistance recipients and certain supplemental aid recipients; appropriating money; amending Minnesota Statutes 1978, Section 256D.37, Subdivision 2; Minnesota Statutes, 1979 Supplement, Sections 256B.06, Subdivision 1; and 256D.37, Subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 729, A bill for an act relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; amending Minnesota Statutes 1978, Section 256B.35.

Reported the same back with the following amendments:

Page 1, line 19, delete "\$50" and insert "\$33"

Page 1, delete lines 20 to 23

Page 2, delete lines 1 to 7

Page 3, after line 25, add two sections to read:

"Sec. 2. [EFFECTIVE DATE.] *The amendment made to Minnesota Statutes 1978, Section 256B.35, by section 1, subdivision 1, is effective January 1, 1981.*

Sec. 3. [APPROPRIATION.] *The sum of \$540,000 is appropriated from the general fund to the commissioner of public welfare for purposes of section 1, subdivision 1. This appropriation is available until June 30, 1981."*

Further, amend the title as follows :

Page 1, line 6, before the second semicolon insert “; appropriating money”

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred :

H. F. No. 902, A bill for an act relating to pollution; establishing noise limits for motorboats; appropriating money; amending Minnesota Statutes 1978, Section 361.17.

Reported the same back with the following amendments :

Page 3, delete lines 9 to 16

Re-number remaining section

Page 3, line 17, delete “Sections 1 and 2 are” and insert “This act is”

Further amend the title as follows :

Page 1, line 3, delete “appropriating money;”

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred :

H. F. No. 1138, A bill for an act relating to local government; authorizing local governmental units to establish training programs for local government officials in conjunction with certain organizations; appropriating money; amending Minnesota Statutes 1978, Section 471.59, by adding a subdivision.

Reported the same back with the following amendments :

Page 2, line 5, at the end of the line delete “,”

Page 2, line 6, delete "*the private college council*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1201, A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; stating the evidentiary effect of certain blood tests; altering certain safety requirements and motor noise limits; providing an outline for distributing water safety enforcement funds; amending Minnesota Statutes 1978, Sections 361.02, by adding subdivisions; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.18; 361.20; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; 361.27, Subdivision 1; and 361.29, Subdivision 4; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

Reported the same back with the following amendments:

Page 3, line 3, after "*sailboats*" insert "*, sailboards*"

Page 3, line 4, delete "\$6" and insert "\$7.50"

Page 3, line 5, delete "\$8" and insert "\$10"

Page 4, line 22, after "*sailboats,*" insert "*sailboards,*"

Page 4, line 27, after the period delete the new language

Page 4, delete line 28 and insert "*The information contained on the capacity plate shall, at a minimum, comply with the established standards and*"

Page 11, line 10, after "*resources*" delete "*for the purposes of*" and insert "*or to political subdivisions within the county, including lake conservation districts in part or in whole within the county, that the commissioner determines will provide watercraft safety enforcement, supervision, marking, regulation, search and rescue, and information on waters wholly or partially within their boundaries*"

Page 11, line 11, delete "*watercraft safety*"

Page 12, delete lines 10 to 33

Page 13, delete lines 1 to 10

Page 13, line 17, after the period delete the remainder of the line

Page 13, line 18, delete the new language and strike the old language

Page 13, line 19, strike "of boat and water safety."

Page 13, line 32, after "Counties" insert "and other political subdivisions"

Page 14, line 10, after the period insert a new section to read:

"Sec. 19. [APPROPRIATION.] *The sum of \$30,000 is appropriated from the general fund to the Minnesota department of natural resources for the purposes of purchasing motorboat noise monitoring equipment, training department personnel and county sheriff's departments in the use of the equipment, and general enforcement of motorboat noise limits by the department, and shall be available until expended.*"

Renumber remaining sections accordingly

Page 14, line 14, before the period insert "*, except section 19 shall be effective the day following final enactment*"

Further, amend the title as follows:

Page 1, line 9, after the semicolon insert "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1603, A bill for an act relating to welfare; clarifying certain provisions of the general assistance medical care program; authorizing higher general assistance payments for persons determined to be unemployable; making various other changes in the general assistance program; amending Minnesota Statutes 1978, Sections 256D.01; 256D.02, Subdivisions 4, 9, 10, 11, 12, and by adding a subdivision; 256D.03, Subdivisions 1 and 3; 256D.04; 256D.05, Subdivision 1; 256D.06, Subdivisions 1 and 2, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.10; 256D.11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 256D.13, Subdivision 1; 256D.16; and 256D.18, Subdivisions 2 and 4; and Minnesota Statutes, 1979 Supplement,

Sections 256D.03, Subdivision 2; 256D.07, and by adding a subdivision; and 256D.08, Subdivision 1.

Reported the same back with the following amendments :

Page 1, line 25, delete "256D.18" and insert "256D.21"

Page 2, lines 3 to 8, delete the new language

Page 2, line 13, delete "256D.18" and insert "256D.21"

Page 2, lines 20 to 33, reinstate the stricken language

Page 2, line 33, after the period insert "*The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement.*"

Page 3, lines 1 to 9, reinstate the stricken language

Page 3, lines 3 and 4, strike "Laws 1973, Chapter 650, Article 21" and insert "*sections 256D.01 to 256D.21*"

Page 3, line 10, reinstate "a principal consideration in the administration of"

Page 3, line 10, after "of" insert "*sections 256D.01 to 256D.21*"

Page 3, line 11, reinstate "and all general assistance"

Page 3, lines 12 and 13, reinstate the stricken language

Page 3, line 15, delete "256D.18" and insert "256D.21"

Page 3, lines 23 to 25, reinstate the stricken language

Page 5, line 18, delete "256D.18" and insert "256D.21"

Page 5, line 30, reinstate "256D.01" and delete "256D.05"

Page 6, lines 1 and 2, reinstate the stricken language

Page 7, line 14, delete "256D.18" and insert "256D.21"

Page 7, line 18, delete "256D.18" and insert "256D.21"

Page 8, line 3, delete "256D.18" and insert "256D.21"

Pages 8 and 9, delete section 12

Pages 10 and 11, delete section 15

Page 11, line 4, delete "Subdivision 1."

Page 11, line 10, delete "256D.05 and 256D.06" and insert "256D.01 to 256D.21"

Page 11, delete lines 32 and 33

Page 12, delete lines 1 and 2

Page 13, line 5, delete "256D.18" and insert "256D.21"

Page 17, line 1, after "paid" insert "during that period"

Page 18, line 11, delete "256D.18" and insert "256D.21"

Page 19, after line 25, insert new sections to read:

"Sec. 31. Sections 1 to 11, 13, 14, and 16 to 30 of this act are effective July 1, 1980. Sections 12 and 15 of this act are effective January 1, 1981.

Sec. 32. [APPROPRIATIONS.] *The sum of \$226,000 is appropriated from the general fund to the commissioner of public welfare for purposes of sections 12 and 15 of this act. This appropriation is available until June 30, 1981 and shall be expended only if federal general revenue sharing is received in the approximate amount of \$34,000,000 in the federal fiscal year 1981.*"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, delete line 4 and insert "establishing an earned income disregard work incentive in the general assistance program"

Page 1, line 5, delete "persons determined to be unemployable"

Page 1, line 7, after the semicolon insert "appropriating money;"

Page 1, line 10, delete "256D.05,"

Page 1, line 11, delete "Subdivision 1;"

Page 1, line 11, delete ", and"

Page 1, line 12, delete "by adding a subdivision"

Page 1, line 17, delete ", and by"

Page 1, line 18, delete "adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1813, A bill for an act relating to public finance; authorizing the issuance of Minnesota state railroad assistance bonds; appropriating money; amending Minnesota Statutes 1978, Chapter 222, by adding a section.

Reported the same back with the following amendments:

Page 5, line 15, delete "\$53,000,000" and insert "\$10,000,000"

Page 5, line 23, delete "\$53,000,000" and insert "\$10,000,000"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1842, A bill for an act relating to nuclear safety; providing for a nuclear power plant emergency response plan; providing for assessment of costs to nuclear power plants; requiring the departments of public safety and health to monitor, provide training, and prepare plans for nuclear power plant incidents; requiring a study; appropriating money; amending Minnesota Statutes 1978, Chapter 12, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 12.03, Subdivision 4; and 12.21, Subdivision 1.

Reported the same back with the following amendments:

Page 4, line 10 delete "\$350,000" and insert "\$250,000"

Page 4, line 14, delete "\$700,000" and insert "\$500,000"

Page 4, line 15, delete "director" and insert "department"

Page 4, line 16, delete "emergency services" and insert "public safety"

Page 4, line 32, delete "two" and insert "one"

Page 4, line 33, delete "positions" and insert "position"

Page 5, delete lines 1 to 2

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1847, A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; directing the commissioner of public welfare to promulgate certain rules; appropriating money; amending Minnesota Statutes 1978, Section 256B.47, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, delete lines 15 to 32

Page 2, line 33, in the blank insert "40,000"

Renumber the remaining sections

Delete the underscoring from the remainder of the bill

Further, amend the title as follows:

Page 1, line 4, delete "directing the commissioner"

Page 1, delete line 5

Page 1, lines 6 and 7, delete "; amending Minnesota Statutes 1978, Section 256B.47, by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Moe from the Committee on Governmental Operations to which was referred:

H. F. No. 1915, A bill for an act relating to state government; recodifying the laws governing the state board of investment; providing for the appointment of an executive director and detailing his duties and powers; defining terms; establishing standards for the investment of state and pension assets; repealing Minnesota Statutes 1978, Sections 11.01 to 11.115; 11.117, Subdivisions 1, 2, 3, 5, and 7; 11.12 to 11.14; 11.15 to 11.28; and Minnesota Statutes, 1979 Supplement, Sections 11.117, Subdivisions 4 and 6; 11.118; and 11.145.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [11A.01] [STATEMENT OF PURPOSE.] *The purpose of sections 1 to 23 is to establish standards which will insure that state and pension assets subject to this legislation will be responsibly invested to maximize the total rate of return without incurring undue risk.*

Sec. 2. [11A.02] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 23, the terms defined in this section shall have the meanings given them.*

Subd. 2. "Board" means the Minnesota state board of investment created by Article XI, Section 8 of the constitution of the state of Minnesota.

Subd. 3. "Council" means the investment advisory council created by section 6.

Subd. 4. "Fund" means any of the individual funds, including but not limited to the permanent school fund, general fund of the state, retirement funds and other funds and accounts for which the board has investment responsibilities.

Subd. 5. "Director" means the executive director of the board.

Subd. 6. "Management" means the performance or delegation of general management duties relating to any fund established pursuant to this chapter.

Sec. 3. [11A.03] [MEMBERSHIP, ORGANIZATION.] *Pursuant to Article XI, Section 8, of the constitution of the state of Minnesota, the board shall be composed of the governor, state auditor, state treasurer, secretary of state and attorney general. The governor shall serve as ex officio chairman of the board.*

Sec. 4. [11A.04] [DUTIES AND POWERS.] *The board shall:*

(1) *Act as trustees for each fund for which it invests or manages moneys in accordance with the standard of care set forth in section 7.*

(2) *Formulate policies and procedures deemed necessary and appropriate to carry out its functions.*

(3) *Employ an executive director as provided in section 5 as well as such consultants as it deems necessary.*

(4) *Prescribe policies concerning personal investments of all employees of the board to prevent conflicts of interest.*

(5) *Maintain a record of its proceedings.*

(6) *As it deems necessary, establish advisory committees subject to the provisions of Minnesota Statutes, Section 15.059 to assist the board in carrying out its duties.*

(7) *Not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or his agent.*

(8) *Direct the state treasurer to sell property other than money which has escheated to the state when the board determines that sale of the property is in the best interest of the state. Escheated property shall be sold to the highest bidder in the manner and upon terms and conditions prescribed by the board.*

(9) *Undertake any other activities necessary to implement the duties and powers set forth in this section.*

Sec. 5. [11A.05] [EXECUTIVE DIRECTOR.] *Subdivision 1. [QUALIFICATIONS.] The director of the board shall be a chartered financial analyst or a person of equivalent qualifications. He shall be well qualified by training to administer and invest the money available for investment and possess experience in the management of institutional investment portfolios. The director shall be in the unclassified state service and serve at the pleasure of the board.*

Subd. 2. [CONFIRMATION.] The employment of the director shall be subject to the advice and consent of the senate in the same manner as the appointment of executive officers is confirmed by the senate.

Subd. 3. [DUTIES AND POWERS.] The director shall:

(1) *Plan, direct, coordinate and execute administrative and investment functions in conformity with the policies and directives of the board.*

(2) *Employ such professional and clerical staff as is necessary within the complement limits established by the legislature. These employees shall be in the unclassified service of the state.*

(3) *Report to the board on all operations under his control and supervision.*

(4) *Maintain accurate and complete records of securities transactions and official activities.*

(5) *Purchase and sell all securities on the basis of competitive offerings or bids received from at least two firms known to specialize in the securities being traded and likely to position these securities in relevant quantities. Competitive bidding shall*

not be required when the securities to be traded are: listed or traded on a major United States exchange, bound by underwriting restrictions or classified as private placements and offered only to a limited number of institutional investors.

(6) *Cause all securities acquired to be kept in the custody of the state treasurer or such other depositories as the board deems appropriate.*

(7) *Prepare and file with the director of the legislative reference library on or before November 15 of each year, a report summarizing the activities of the board, the council and the director during the preceding fiscal year. The report shall be prepared so as to provide the legislature and the people of the state with a clear, comprehensive summary of the portfolio composition, the transactions, the total annual rate of return and the yield to the state treasury and to each of the funds whose assets are invested by the board, and the recipients of business placed or commissions allocated among the various commercial banks, investment bankers and brokerage organizations. This report shall contain financial statements for funds managed by the board prepared in accordance with generally accepted accounting principles.*

(8) *Require state officials from any department or agency to produce and provide access to any financial documents the board deems necessary in the conduct of its investment activities.*

(9) *Receive and expend legislative appropriations.*

(10) *Undertake any other activities necessary to implement the duties and powers set forth in this subdivision.*

Sec. 6. [11A.06] [INVESTMENT ADVISORY COUNCIL.] *Subdivision 1. [MEMBERSHIP.] There is created an investment advisory council consisting of ten members who are experienced in general investment matters and who shall be appointed by the board, the commissioner of finance and the executive directors of the Minnesota state retirement system, the public employees retirement association and the teachers retirement association.*

Subd. 2. [DUTIES AND POWERS.] *The council shall:*

(1) *Advise the board and its director on general policy matters relating to investments;*

(2) *Advise the board and its director in respect to all proposed transactions, except those relating to individual securities, which would have a significant impact on the character, size or quality of the state's investment portfolio;*

(3) Advise the board and its director on methods to improve the rate of return on invested money while insuring adequate security for that money;

(4) Advise the board and its director on the form and content of the board's report required by section 5, subdivision 3, clause (7), so that the report clearly and objectively discloses the investment activities of the board and its director;

(5) Perform other tasks of an advisory nature as requested by the board.

Subd. 3. [OFFICERS; MEETINGS.] The council shall annually elect a chairman and vice chairman from among its members, and may elect other officers as necessary. The council shall meet at least every other month and upon the call of the chairman of the council or the chairman of the board.

Subd. 4. [TERMS; COMPENSATION; REMOVAL; VACANCIES.] The membership terms, compensation and removal of members appointed by the board, and filling of vacancies of such members shall be as provided in Minnesota Statutes, Section 15.059 except that council members shall not receive a per diem.

Subd. 5. [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 arising out of the performance of the member's duties, except an action brought by the state or agency thereof arising from the failure of a council member to perform duties in the manner prescribed in section 7.

Subd. 6. [CONFLICT OF INTEREST; ECONOMIC INTEREST STATEMENT.] No member of the council may participate in deliberations or vote on any matter before the council which will or is likely to result in direct, measurable economic gain to the member. Additionally, no member of the council appointed by the board may participate in deliberations or vote on any matter before the council which will or is likely to result in direct, measurable economic gain to his employer. Members of the council shall file with the board of ethical practices an economic interest statement in a manner as prescribed by Minnesota Statutes, Section 10A.09, Subdivisions 5 and 6.

Sec. 7. [11A.07] [STANDARD OF CARE.] In the discharge of their respective duties, the members of the board, director, board staff, members of the council and any other person charged with the responsibility of investing money pursuant to the standards set forth in sections 1 to 23 shall act in good faith and shall exercise that degree of judgment and care, under circumstances then prevailing, which persons of prudence, dis-

cretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom.

Sec. 8. [11A.08] [DUTIES OF OTHER OFFICIALS.] *Subdivision 1. [CUSTODY OF SECURITIES.] The state treasurer and other custodians of securities belonging to the various funds shall provide the board and its delegates with reasonable access thereto. Each security shall be held as an asset of the fund from which the investment expenditure was made.*

Subd. 2. [ESCHEATED PROPERTY.] The commissioner of finance shall report immediately to the board all personal property other than money received by the state of Minnesota as escheated property. If the board elects to sell escheated property, all moneys received from the sale shall be credited to the general fund of the state.

Subd. 3. [AUDITS.] State audits of the activities of the board and its delegates shall be conducted by the legislative auditor.

Subd. 4. [OFFICE SPACE.] The commissioner of administration shall provide the director and staff with suitable office and storage space in the state capitol complex as near as practicable to the office of the state treasurer.

Sec. 9. [11A.09] [INVESTMENT AND EXPENSE APPROPRIATION.] *There is appropriated to the board annually, and from time to time, such moneys as are available for investment in the various funds, for the purposes of the purchase, sale, exchange and lending of securities, reinvestment activities, payment of the execution expenses of securities transactions, amortization of premiums or accumulation of discounts, and contribution and redemption of participation in the various funds.*

Sec. 10. [11A.10] [GAINS AND LOSSES.] *Subdivision 1. [DISPOSITION OF GAINS AND LOSSES.] All interest and profit accruing from and all losses incurred by investment activity shall be credited to or borne by the fund from which the investment was made.*

Sec. 11. [11A.11] [ASSETS AND DOCUMENTATION.] *Subdivision 1. [LEGAL TITLE TO FUND ASSETS.] Legal title to the assets of the funds to be invested by the board shall be in the state of Minnesota, or its nominee, as trustees for any person having a beneficial interest in the applicable fund subject to the rights of the particular funds maintaining shares in the accounts to their credit.*

Subd. 2. [RIGHTS OF EMPLOYEES; VALIDITY OF DOCUMENTATION.] The rights of any public employee to any as-

sets in the retirement funds shall be as fixed by the law or laws authorizing or requiring a retirement fund to purchase or order the redemption of shares investment participation or units on behalf of the public employee. The board may rely on the documents, forms and applications of the various retirement funds which accompany money for investment or orders to redeem assets as being made in concert with the applicable law and with the rights of the public employees concerned. Accordingly, the board need not inquire into the legality or validity of any documents, forms and applications.

Sec. 12. [11A.12] [MINNESOTA COMBINED INVESTMENT FUND.] Subdivision 1. [ESTABLISHMENT.] There is hereby established a Minnesota combined investment fund for the purpose of providing an investment vehicle for assets of the participating funds. The combined fund shall consist of the following investment accounts: a cash management account and an equity account.

Subd. 2. [ASSETS.] The assets of the combined investment fund shall consist of the moneys certified to and received by the board from participating retirement plans and funds which shall be used to purchase investment shares in the appropriate investment accounts. Each participating fund shall own an undivided participation in all the assets of the combined fund. As of any date, the total claim of a participating fund on the assets in each account shall be equal to the ratio of units owned by a fund in each account to the total issued units then outstanding.

Subd. 3. [MANAGEMENT.] The combined investment fund shall be managed by the board.

Subd. 4. [INVESTMENTS.] The assets of the combined investment fund shall be invested by the board subject to the provisions of section 22 with the following exceptions:

(a) The cash management account shall be invested in fixed-income obligations with maturities of less than three years.

(b) The equity account may be completely invested in corporate stocks.

Subd. 5. [PARTICIPATING PUBLIC RETIREMENT PLANS OR FUNDS.] The following public retirement plans and funds shall participate in the Minnesota combined investment fund:

(1) State employees retirement fund established pursuant to Minnesota Statutes, Chapter 352;

(2) Correctional employees retirement plan established pursuant to Minnesota Statutes, Chapter 352;

(3) Highway patrol retirement fund established pursuant to Minnesota Statutes, Chapter 352B;

(4) Public employees retirement fund established pursuant to Minnesota Statutes, Chapter 353;

(5) Public employees police and fire fund established pursuant to Minnesota Statutes, Chapter 353;

(6) Teachers retirement fund established pursuant to Minnesota Statutes, Chapter 354;

(7) Judges retirement fund established pursuant to Minnesota Statutes, Chapter 490; and

(8) Any other fund required by law to participate.

Subd. 6. [INITIAL TRANSFER OF ASSETS.] As of July 1, 1980, or a later date as determined by the board, the participating funds shall transfer to the combined investment fund all appropriate securities then held together with cash necessary for the purchase of even units in the combined fund accounts.

Subd. 7. [INITIAL VALUATION OF ASSETS AND UNITS.] All assets transferred to the Minnesota combined investment fund shall be valued at their current market value as determined by the board, including accrued interest. The initial value of each account unit shall be \$1,000 with each participating fund allocated units in the various accounts of the Minnesota combined investment fund in the same proportion as their assets are to the total assets in each account.

Subd. 8. [UNREALIZED APPRECIATION (DEPRECIATION) ACCOUNT.] Any unrealized gains or losses in the value of investments incurred by a transferring fund shall be recorded in an unrealized appreciation (depreciation) account which is hereby created. Any future unrealized gains or losses shall also be recorded in this account at the close of each fiscal year.

Subd. 9. [VALUATION OF UNITS.] (1) Valuation of units for the equity account in the Minnesota combined investment fund shall be performed as of the last business day of each month, or more frequently should the board determine that additional valuation dates are necessary. Valuation of units for the cash management account in the Minnesota combined investment fund shall be performed daily for every business day.

(2) The value of a unit for each account shall be determined by the following procedure:

(a) As of the close of business on the valuation date the board shall determine the fair market value of each asset in each account, using the references, pricing services, consultants, or other methods as the board deems appropriate.

(b) The sum total of the market value of all securities plus cash, less the value of undistributed income in each account, shall be divided by the number of units issued and outstanding for the account to determine the value per account unit.

Subd. 10. [PURCHASE AND REDEMPTION OF UNITS.] Purchase and redemption of units shall be on the first business day following the valuation date. All transactions shall be at the unit value as established on the immediately preceding valuation date. Except for the initial purchase of units by an authorized participant, all purchases and redemptions shall be made in cash unless the board determines that an exception is necessary.

Subd. 11. [EARNINGS DEFINED.] Investment earnings shall be the sum total of the following of each account:

(1) Dividends receivable on securities trading ex-dividend up to and including the valuation date.

(2) Cash dividends received to and including the valuation date that were not accounted for on a previous valuation date.

(3) Accrued interest to and including the valuation date.

(4) Interest received which had not been accrued and accounted for on a prior valuation date.

(5) Proceeds from the sale of options, rights, warrants, or security lending.

(6) Other income received to and including the valuation date.

Subd. 12. [DISTRIBUTION OF EARNINGS.] At least once each month the board shall distribute to each participant net earnings determined proportionately in accordance with their average unit holdings in each account during the period. Unless otherwise directed by the participating fund, any distributions shall be used to purchase additional units in the accounts.

Subd. 13. [RECORDS REQUIRED.] The executive director of the stateboard of investment shall keep accounting records. The records shall reflect the number of units in the Minnesota combined investment fund owned by each participating fund. No certificates or other evidence of ownership shall be required.

Subd. 14. [REPORTS REQUIRED.] As of each valuation date the board shall inform each participant of the number of units owned and the current value of the units. Annually, the board shall provide to each participant, financial statements prepared in accordance with generally accepted accounting principles.

Sec. 13. [11A.13] [STATE BOND FUND.] *Subdivision 1. [ESTABLISHMENT.] Pursuant to Article XI, Section 7, of the constitution of the state of Minnesota, there is hereby established a state bond fund for the purpose of the timely payment of principal and interest on bonds for which the full faith and credit of the state has been pledged. The state bond fund shall be a continuation of the state bond fund in existence on January 1, 1980.*

Subd. 2. [ASSETS.] Any money appropriated to the state bond fund, any income arising from the invested assets of the state bond fund which is not immediately required to pay the principal or interest on state bonds and any proceeds arising from the sale of any securities in the state bond fund shall constitute the assets of the state bond fund.

Subd. 3. [MANAGEMENT.] The state bond fund shall be managed by the state treasurer who shall, from time to time, certify to the board those portions of the state bond fund which in the judgment of the state treasurer are not required for immediate use.

Subd. 4. [INVESTMENT.] The board shall invest assets of the state bond fund subject to the provisions of section 23.

Subd. 5. [WITHDRAWAL OF ASSETS.] Securities sufficient to equal the amount of money certified by the state treasurer as necessary to pay the principal or interest due on state bonds in excess of any cash on hand shall be sold at the request of the state treasurer and the certified amount of money shall be transferred to the state treasurer.

Subd. 6. [CREDIT OF INCOME TOWARDS SUBSEQUENT APPROPRIATIONS.] Notwithstanding provisions of section 10, the net income of the state bond fund after the recovery of any losses from the sale of securities shall be deducted from the amount of any subsequent appropriations for the payment of principal and interest of state bonds.

Sec. 14. [11A.14] [PERMANENT SCHOOL FUND.] *Subdivision 1. [ESTABLISHMENT.] Pursuant to Article XI, Section 8, of the constitution of the state of Minnesota, there is hereby established a permanent school fund which shall be a continuation of the permanent school fund in existence on January 1, 1980.*

Subd. 2. [ASSETS.] *The permanent school fund shall consist of the proceeds derived from the school lands, the swamp lands and the internal improvement lands granted to the state and all cash and investments credited to the permanent school fund, to the swamp land fund and to the internal improvement land fund.*

Subd. 3. [MANAGEMENT.] *The permanent school fund shall be managed by the commissioner of finance.*

Subd. 4. [INVESTMENT.] *The permanent school fund shall be invested by the board in the following securities as directed by Article XI, Section 8 of the constitution of the state of Minnesota:*

(a) *Interest bearing fixed income securities of the United States and its agencies, including securities fully guaranteed by the United States, bonds of Minnesota or its political subdivisions or agencies, or of other states but not more than 50 percent of any issue by a political subdivision;*

(b) *Stocks of corporations with cash dividends paid from earnings for the five consecutive years prior to purchase, but not more than 20 percent of the fund shall be invested therein nor more than one percent in stock of any one corporation, nor more than five percent of the voting stock of any one corporation shall be owned;*

(c) *Bonds of corporations whose earnings have been at least three times the interest requirements on outstanding bonds for five consecutive years or longer immediately prior to purchase, but not more than 40 percent of the fund shall be so invested;*

(d) *The percentages referred to above shall be computed using the cost price of the stocks or bonds.*

Subd. 5. [CALCULATION OF INCOME.] *As of the end of each fiscal year, the board shall calculate the investment income earned by the permanent school fund. The investment income earned by the fund shall equal the amount of interest on debt securities and dividends on equity securities. If the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered from interest and dividend income in equal installments over a period equal to (a) the average period prior to maturity remaining on the debt securities which were sold if the sale of debt securities results in the loss, or (b) over a period of five years if the sale of equity securities resulted in the loss unless there is a net gain in the sale of securities sufficient to eliminate the amount of the loss prior to the end of the period. In any fiscal year in which gains on the sale of securities exceed the losses on the sales of securities, the excess shall be added to the principal of the fund.*

Subd. 6. [DISPOSITION OF INCOME.] Notwithstanding provisions of section 10, the income of the permanent school fund as calculated pursuant to subdivision 5, shall be credited to the permanent school fund, and transferred to the school endowment fund as needed for payments made pursuant to Minnesota Statutes, Section 124.08.

Sec. 15. [11A.15] [MINNESOTA SUPPLEMENTAL RETIREMENT INVESTMENT FUND.] *Subdivision 1. [ESTABLISHMENT.] There is hereby established a supplemental retirement investment fund for the purpose of providing an investment vehicle for the assets of various public retirement plans and funds. This fund shall consist of three investment accounts: an income share account, a growth share account, and a fixed-return account. The supplemental retirement investment fund shall be a continuation of the supplemental retirement fund in existence on January 1, 1980.*

Subd. 2. [ASSETS.] The assets of the supplemental retirement investment fund shall consist of the moneys certified and transmitted to the board from the participating public retirement plans and funds and shall be used to purchase investment shares in the investment accounts specified by the plan or fund.

Subd. 3. [MANAGEMENT.] The supplemental retirement investment fund shall be managed by the board.

Subd. 4. [INVESTMENT.] The assets of the supplemental retirement investment fund shall be invested by the board subject to the provisions of section 22; provided, however, that the fixed-return account shall be invested entirely in debt obligations and the growth share account shall be invested as follows:

(a) Up to 100 percent of the book value may be invested in corporate stocks;

(b) Up to six percent of the book value may be invested in the stock of any one corporation;

(c) Up to ten percent of the book value may be invested in corporate stocks which do not conform with the dividend standard provided for in section 22, subdivision 5, clause (d).

Subd. 5. [PARTICIPATING PUBLIC RETIREMENT PLANS OR FUNDS.] *Any public retirement plan or fund authorized or required by law to invest its assets in the supplemental retirement investment fund may from time to time as provided by law certify moneys to the board for the purchase of investment shares in the investment accounts of the supplemental retirement investment account. The board shall credit each purchase of investment shares to the appropriate participating public retirement plan or fund and shall confirm each purchase in writing to the appropriate plan or fund. Each participating*

public retirement plan or fund shall maintain adequate records to account for moneys certified to the supplemental retirement investment fund.

Subd. 6. [PARTICIPATION IN FUND.] Each public retirement plan or fund which has certified moneys to the board for investment in the supplemental retirement investment fund shall have a participation in each investment account of the fund in which it has moneys invested. The participation shall be determined by the ratio of the number of shares credited to the public retirement plan or fund to the total number of shares in that account.

Subd. 7. [PURCHASE OF SHARES.] The board shall allocate shares in the investment account or accounts at least monthly following the receipt of the funds for purchase of shares from the public retirement plan or fund as specified in the certification. The purchase price for shares shall be determined using the procedure specified in subdivision 9.

Subd. 8. [REDEMPTION OF SHARES.] The board shall redeem shares in the investment account or accounts on the first business day after the valuation date next following the receipt of the request for redemption of shares from the public retirement plan or fund. The redemption value for shares shall be determined using the procedure specified in subdivision 9. Moneys representing the value of the redeemed shares shall be transmitted to the public retirement plan or fund making the request.

Subd. 9. [VALUATION OF INVESTMENT SHARES.] The value of investment shares in the income share investment account or in the growth share investment account shall be determined by dividing the total market value of the securities constituting the respective account by the total number of shares then outstanding in the investment account. Whenever the value of investment shares of an investment account has exceeded \$10 per share for a period of six consecutive months, each investment share in the investment account may be split at the direction of the board on a two new shares for one prior share basis. The value of investment shares in the fixed-return investment account shall be \$5 per share; provided, however, if the fixed-return investment account shares are redeemed by a public retirement fund where the shares are not attributable to the individual account of any person prior to the expiration of the multi-year period set by the board for the payment of the applicable assumed rate, the value of the investment shares shall be at market value. Terms as to withdrawal schedules will be agreed upon by the public retirement fund and the board. Notwithstanding provisions of section 10, the investment income earned by the fixed-return investment account shall be used to purchase additional shares on behalf of each participating public retirement plan or fund.

Subd. 10. [CERTIFICATIONS FOR INVESTMENT AND REQUESTS FOR REDEMPTION.] *The board may specify the required forms for certifications of moneys for investment and requests for redemption of investment shares and may require the filing of any other documents which it deems necessary.*

Subd. 11. [PROSPECTUS.] *Annually, on or before July 1, the board shall prepare and shall issue a prospectus for the supplemental retirement investment fund with separate exhibits for each investment account. The exhibit for each account shall list for each security representing the current assets of the account the following items, whichever are applicable:*

- (1) The purchase price of the security;*
- (2) The current market value of the security;*
- (3) The current dividend or interest rate of the security;*

(4) The rating of a debt security issued by a nationally recognized rating agency if it is other than a security issued or guaranteed by the United States government.

The prospectus shall set forth the statutory provisions governing the supplemental retirement investment account.

Sufficient copies of the prospectus shall be transmitted to each public retirement plan or fund participating in the supplemental retirement investment account to meet the plan or fund's distribution requirements. Ten copies of the prospectus shall be filed with the director of the legislative reference library.

Subd. 12. [RATE OF INTEREST FOR FIXED RETURN.] *At the beginning of each fiscal year, the board shall set an assumed interest rate for moneys invested in such account during that year, with the rate applicable to all sums invested during that 12 month period. At the end of the 12 months, the board may determine the period over which an assumed rate is to apply to funds so invested, depending on the average yield and maturity of the securities purchased. Any earnings accrued to the account above the rate earlier indicated may be used to purchase additional shares on behalf of each participating public retirement plan or fund at fiscal year end after necessary reserves are established.*

Sec. 16. [11A.16] [MINNESOTA ADJUSTABLE FIXED BENEFIT FUND.] **Subdivision 1. [ESTABLISHMENT.]** *There is hereby established an adjustable fixed benefit fund for the purpose of providing an investment vehicle for the reserves of various retirement annuities and benefits payable by the participating retirement funds and plans. The adjustable fixed benefit fund shall be a continuation of the Minnesota adjustable fixed benefit fund in existence on January 1, 1980.*

Subd. 2. [ASSETS.] The assets of the adjustable fixed benefit fund shall consist of the moneys representing the reserves for various retirement annuities and benefits payable by participating retirement funds and plans which have been certified to and received by the board from the participating public retirement funds and plans.

Subd. 3. [MANAGEMENT.] The adjustable fixed benefit fund shall be managed by the board.

Subd. 4. [INVESTMENT.] The assets of the adjustable fixed benefit fund shall be invested by the board subject to the provisions of section 22.

Subd. 5. [PARTICIPATING PUBLIC RETIREMENT FUNDS OR PLANS.] Any public retirement fund or plan authorized by law to participate in the adjustable fixed benefit fund shall from time to time as provided by law certify and transfer to the board moneys equal to the actuarially determined reserves required for those retirement annuities and benefits which are payable by the public retirement fund or plan and which are specified in law to be included in the participation in the fund. The board shall confirm in writing each certification and transfer of moneys made by a participating public retirement fund or plan. Each participating public retirement fund or plan shall maintain adequate records to account for moneys transferred to the adjustable fixed benefit fund.

Subd. 6. [PARTICIPATION IN FUND.] Any public retirement organization authorized to participate in the Minnesota adjustable fixed benefit fund may own an undivided participation in all the assets of the fund. The extent of annual participation shall be determined by the ratio of each organization's contribution to the total contributions of all participating organizations. The ratio shall be determined monthly. Contributions and withdrawals may be certified at any time, but notification of contributions must reach the state board of investment by the twenty-fifth day of any month in order for the contributions to be included in calculations determining the monthly ratio. At the end of each fiscal year, the 12 ratios for the year, beginning with that of the previous July 31, shall be averaged. The average ratio shall determine the distribution of the difference between the admitted value and the balances of contributions of the respective organizations at year end to determine the respective amounts of participation. The interpretation and administration of all calculations affecting the fund shall be made in a manner to achieve the most uniform and equitable treatment possible for all participating organizations.

Subd. 7. [BOOK VALUE.] Book value as of any date of assets other than corporate stocks and all other equity investments means amortized cost computed from the date the asset was first acquired by the participating retirement association.

Book value as of any date of corporate stocks and all other equity investments transferred to the Minnesota adjustable fixed benefit fund means the closing market value of the stocks as of the last business day prior to the transfer. Book value as of any date of corporate stocks and all other equity investments first acquired by the Minnesota adjustable fixed benefit fund means the cost of the stocks.

Subd. 8. [RECOGNIZED VALUE, DEFERRED YIELD ADJUSTMENT ACCOUNT.] *Recognized value as of any date of assets other than corporate stocks and all other equity investments shall be the book value of those assets as of that date. The recognized value as of any date of corporate stocks and all other equity investments, including convertible securities, shall be the market value at closing on that particular date as determined by the state board of investment.*

There is hereby established a deferred yield adjustment account which shall be increased by the sale or disposition of any debt securities at less than book value and shall be decreased by the sale or disposition of debt securities at more than book value. At the end of each fiscal year, a portion of the balance of this account shall be offset against the investment income for that year. The annual portion of the balance to be offset shall be proportional to the reciprocal of the average remaining life of the bonds sold, unless the amounts are offset by gains on the future sales of these securities. The amount of this account shall be included in the recognized value of assets other than corporate stocks and all other equity investments. In any fiscal year in which the gains on the sales of debt securities exceed the discounts realized on the sales of such securities, the excess shall be used to reduce the balance of the account.

Subd. 9. [RATIO OF RECOGNIZED VALUE TO BOOK VALUE.] *During each fiscal year beginning with 1971, there shall be determined the ratio of recognized value to book value of the assets of the Minnesota adjustable fixed benefit fund as of the last days of August, October, December, February, April and June. In computing such a ratio, the total book value shall be adjusted for any realized profit or loss due to the sale or disposition of securities.*

Subd. 10. [AVERAGE RECOGNIZED VALUE TO BOOK VALUE RATIO.] *The average recognized value to book value ratio for any fiscal year means the sum of the 12 recognized value to book value ratios determined for the fiscal year and the immediately preceding year, divided by 12. For fiscal 1971, the ratio means the sum of the six recognized value to book value ratios determined for the fiscal year plus six assumed ratios of 100, the total of which is divided by 12.*

Subd. 11. [ADMITTED VALUE OF MINNESOTA ADJUSTABLE FIXED BENEFIT FUND.] *The admitted value of the Minnesota adjustable fixed benefit fund as of June 30 of*

any fiscal year beginning with 1971 shall be equal to the book value of the assets of the Minnesota adjustable fixed benefit fund as of that date, including accrued income, with adjustments for realized gains and losses, multiplied by the average recognized value to book value ratio for the fiscal year. Prior to fiscal 1971, the admitted value of the assets shall be the cost of the assets to the Minnesota adjustable fixed benefit fund.

Subd. 12. [ACTUARIALLY DETERMINED RESERVE.] The actuarially determined reserve for any participating fund as of any date means the present value, computed in accordance with the interest and mortality assumptions in effect for the particular fund as of the date of determination, of the retirement annuities authorized and in effect on the date.

Subd. 13. [TRANSFER OF ASSETS.] As of the beginning of any fiscal year, assets representing the actuarially determined reserves of any public retirement organization newly authorized by law to participate in the Minnesota adjustable fixed benefit fund shall be transferred from such participating retirement funds to the Minnesota adjustable fixed benefit fund.

The state board of investment may purchase any securities owned by a retirement organization up to the total amount of the participation of the fund, insofar as the securities meet the quality standards and requirements of the board. The state board of investment may require the participating organization to sell the securities and transfer cash if this appears desirable in achieving appropriate portfolio balance. All securities shall be valued as of the last business day of June, or one business day before the actual participation of the new retirement organization in the Minnesota adjustable fixed benefit fund.

The assets to be transferred and the values to be used for transfers shall be approved by the state board of investment.

Subd. 14. [TRANSFER AND WITHDRAWAL OF FUNDS.] All money necessary to meet the requirements of certification of withdrawal by funds authorized to participate in the Minnesota adjustable fixed benefit fund are hereby annually, and from time to time, appropriated from the Minnesota adjustable fixed benefit fund to the participating pension funds involved. Withdrawals for pensions are limited to those pensions for which reserves have been transferred to the Minnesota adjustable fixed benefit fund.

Subd. 15. [ADJUSTMENT IN ANNUITY PAYMENTS.] Annually as of July 1 of each fiscal year the annuity payments made from each retirement fund or organization participating in the Minnesota adjustable fixed benefit fund during the next calendar year shall be determined in accordance with the following procedures. Any adjustment in the amount of annuity payments shall become effective with the first payment falling

due after December 31 next succeeding the July 1 as of which the adjustment was determined.

(a) *Annually, after June 30 of each year, the state board of investment shall:*

(1) *Based upon the admitted value as determined pursuant to subdivision 11, determine the actual rate of return and the accumulation factor on the assets of the Minnesota adjustable fixed benefit fund. The accumulation factor shall be 1.00 plus or minus the actual rate of return.*

(2) *Calculate the benefit adjustment factor, which shall be the ratio of the accumulation factor determined pursuant to (1) to the valuation accumulation factor. The valuation accumulation factor shall be 1.00 plus the interest rate assumed for actuarial valuations.*

(3) *Calculate the actual benefit adjustment factor in accordance with the provisions of clause (f) and subdivision 16.*

(4) *Determine for each pension fund the amount of participation of the fund in the Minnesota adjustable fixed benefit fund, excluding any portion of the annuity stabilization reserve.*

(5) *Determine a preliminary amount for the current annuity stabilization reserve by multiplying the final amount of the previous year's annuity stabilization reserve by the accumulation factor determined pursuant to (1).*

(b) *Each participating pension fund shall determine the amount of the reserve required for the level of benefit in effect during the year preceding the valuation date. This total reserve shall be separated into two portions, one for participants who are eligible for an adjustment in benefits and the other for participants who are not eligible for a benefit adjustment.*

(c) *Each participating pension fund shall determine its adjusted participation in the Minnesota adjustable fixed benefit fund in the following manner.*

(1) *Determine the expected reserve on the current valuation date in accordance with the mortality and interest assumptions used for actuarial valuations. This shall be done separately for those participants who are eligible for an adjustment in benefits and those participants who are not eligible for an adjustment in benefits.*

(2) *Determine the difference between the expected reserve calculated pursuant to clause (c)(1) and the reserve calculated pursuant to clause (b). This difference shall be calculated separately for participants who are eligible for a benefit adjustment*

and for participants who are not eligible for a benefit adjustment.

(3) For the participants who are entitled to a benefit adjustment, multiply the difference obtained pursuant to clause (c)(2) by the actual benefit adjustment factor and combine the result with the difference calculated pursuant to clause (c)(2) associated with participants not eligible for a benefit adjustment.

(4) If the result obtained pursuant to clause (c)(3) is positive, the amount thus determined is due to a mortality gain, and the pension fund shall be credited with the amount thus determined by deducting the amount from the fund's total participation. If the result obtained pursuant to clause (c)(3) is negative, the amount thus determined is due to a mortality loss, and the pension fund shall pay to the Minnesota adjustable fixed benefit fund the amount thus determined which amount shall be added to the pension fund's participation. In either case, the resulting participation is the pension fund's adjusted participation in the Minnesota adjustable fixed benefit fund.

(d) The actual benefit adjustment factor shall be applied to the reserve determined pursuant to clause (b) for participants who are entitled to a benefit adjustment and the result shall be combined with the reserve determined pursuant to clause (b) for participants not eligible for a benefit adjustment. The resulting sum is the pension fund's reserve requirement.

(e) The difference between a pension fund's adjusted participation in the Minnesota adjustable fixed benefit fund determined pursuant to clause (c)(4) and the pension fund's reserve requirement determined pursuant to clause (d) shall be calculated. If the result is positive, the amount shall be added to the annuity stabilization reserve and deducted from the pension fund's adjusted participation in the Minnesota adjustable fixed benefit fund. If the result is negative, the amount shall be deducted from the annuity stabilization reserve and added to the pension fund's adjusted participation in the Minnesota adjustable fixed benefit fund.

(f) Subject to the limitations set forth in subdivision 16, the actual benefit adjustment factor shall be determined as follows:

(1) As of June 30, 1977, and each anniversary thereafter, a potential benefit adjustment factor shall be determined by multiplying the benefit adjustment factor calculated pursuant to clause (a)(2) by the ratio of the potential adjustment factor for the anniversary immediately preceding the current anniversary to the actual benefit adjustment factor for that same prior anniversary, which ratio for June 30, 1976, shall be equal to one.

(2) If the potential benefit adjustment factor for the current anniversary obtained pursuant to clause (f)(1) is greater than 98 percent but less than 102 percent, no adjustment of annuities shall be made.

(3) If the potential benefit adjustment factor for the current anniversary obtained pursuant to clause (f)(1) is less than or equal to 98 percent or greater than or equal to 102 percent, the actual benefit adjustment factor shall be obtained from the potential benefit adjustment factor by rounding to the next lower one-half of one percent.

(4) If no adjustment of annuities is to be made, then the actual benefit adjustment factor is one.

(g) The actual annuity adjustment factor shall be applied to the annuity payments for the twelve month period beginning with the first payment due after December 31 next succeeding the valuation date, except that persons who retired during the fiscal year preceding the July 1 valuation date shall not be entitled to an adjustment.

(h) If the application of the actual annuity adjustment factor to the annuity benefit of any annuitant produces a benefit smaller than the amount determined on the date of retirement or on July 1, 1976, whichever is later, the benefit for the annuitant shall be adjusted to or maintained at the amount determined on the date of retirement or on July 1, 1976, for the twelve month period beginning with the first payment due after December 31 next succeeding the valuation date.

Subd. 16. [ANNUITY STABILIZATION RESERVE.] An annuity stabilization reserve shall be attached to the Minnesota adjustable fixed benefit fund for the purposes of (1) eliminating any surplus or deficiency so that the assets of the fund will equal the reserves supporting benefits being paid; and, (2) precluding or lessening any downward adjustment in annuity payments below the previous calendar year's payment rate.

(a) Upward adjustments of annuity payments to each annuitant shall be limited to four percent of the previous year's payment rate until the accumulation in the annuity stabilization reserve from withholding has reached an amount equal to 15 percent of the immediate past fiscal year's total annuity payments. So long as the annuity stabilization reserve totals an amount equal to 15 percent of the immediate past fiscal year's total annuity payments, an increase up to six percent of the previous calendar year's payment rate shall be paid to each annuitant entitled to an increase. The amount of any increase above six percent of the previous calendar year's payment rate shall be added to the annuity stabilization reserve until the reserve totals an amount equal to 25 percent of the total pensions paid during the previous fiscal year. Upward adjustments of the annuity pay-

ments to each annuitant shall be limited to eight percent of the previous year's payment rate with any excess being added to the annuity stabilization reserve even though the reserve may then exceed 25 percent of the immediate past fiscal year's total annuity payments.

(b) If the annuity stabilization reserve should become negative as a result of the guarantee set forth in subdivision 15, clause (h), the amount of subsequent benefit increases after January 1, 1978, shall be limited to amounts which will cause the annuity stabilization reserve to be restored again to a positive level.

Subd. 17. Effective January 1, 1973, each retirement fund participating in the Minnesota adjustable fixed benefit fund shall make an upward adjustment of four and one-half percent to each annuitant retiring prior to July 1, 1971. Subsequent adjustments will be in accordance with subdivisions 15 and 16, except that in the event the assets transferred to the annuity stabilization reserve result in a stabilization reserve of less than an amount equal to 15 percent of the immediate past fiscal year's total annuity payments, the deficiency shall be made up before the next annual adjustment is made.

Subd. 18. Upon taking effect of Laws 1973, Chapter 7, the calculations required by subdivisions 15 and 16, as amended by Laws 1973, Chapter 7 shall be determined as of July 1, 1972. Any participating pension fund that has previously announced an increase adjustment in excess of four and one-half percent, and the fund is entitled to a credit or refund due to mortality gain determined in accordance with subdivision 15, clauses (b), (c), (d) and (e), and the credit or refund exceeds the reserves required to further increase the benefits of those eligible for the four and one-half percent adjustment by an additional one percent, the fund may pay to the fund's participation the reserves required for the additional one percent increase in benefit adjustment. The adjustments provided by Laws 1973, Chapter 7 shall apply to the accrual of benefits commencing with January 1, 1973. In case any actual disbursements of benefits have or do vary from the amounts herein provided, the participating pension fund or funds so involved shall adjust to the amounts herein provided.

Subd. 19. All assets in the annuity stabilization reserve shall be credited proportionately to the individual retirement funds' participation in the Minnesota adjustable fixed benefit fund, except that the share attributable to the municipal employees retirement fund of Minneapolis shall be used to increase benefits or may at the discretion of its board of trustees be returned to the fund.

Effective January 1, 1974 each participating fund in the Minnesota adjustable fixed benefit fund, except the municipal em-

employees retirement fund of Minneapolis, shall increase the benefits in effect on June 30, 1973 by an amount that when added to the interest assumption increase granted to benefits effective July 1, 1973, equals 25 percent. The increase shall apply to the accrual of benefits commencing January 1, 1974 and shall be in lieu of the adjustment provided by subdivisions 15 and 16 scheduled to take effect January 1, 1974.

The actuary for each participating fund, except the municipal employees retirement fund of Minneapolis, shall calculate the reserve required to support the benefits in effect on June 30, 1973 as increased July 1, 1973 and herein. As of December 31, 1973, each participating fund shall transfer to or from the Minnesota adjustable fixed benefit fund assets so that its participation equals the total of the required reserve and the reserve for benefits authorized on or after July 1, 1973.

The increased benefits accruing as of January 1, 1974 shall be considered the "originally determined benefits" for the purpose of future adjustments.

Notwithstanding section 356.18, increases in payments pursuant to this section will be made automatically unless the intended recipient files written notice with the public employees retirement association requesting that the increase shall not be made.

Sec. 17. [11A.17] [VARIABLE ANNUITY INVESTMENT FUND.] Subdivision 1. [ESTABLISHMENT.] There is hereby established a variable annuity investment fund for the purpose of providing an investment vehicle for the assets of the variable annuity program of the teachers retirement association. The variable annuity investment fund shall be a continuation of the variable annuity fund in existence on January 1, 1980.

Subd. 2. [ASSETS.] The assets of the variable annuity investment fund shall consist of all cash and investments credited to the variable annuity program of the teachers retirement association.

Subd. 3. [MANAGEMENT.] The variable annuity investment fund shall be managed by the board.

Subd. 4. [INVESTMENT.] The assets of the variable annuity investment fund shall be invested by the board subject to the provisions of section 22 except that:

(a) Up to 100 percent of the book value may be invested in corporate stocks;

(b) Up to six percent of the book value may be invested in the stock of any one corporation;

(c) Up to ten percent of the book value may be invested in corporate stocks which do not conform with the dividend standard provided for in section 22, subdivision 5, clause (d).

Subd. 5. [VALUATION OF FUND.] The variable annuity investment fund shall be valued by the board bimonthly, using the closing market prices of the last business days of August, October, December, February, April and June of each fiscal year. The ratio of the total market value of investments to the admitted value of investments at the end of the preceding fiscal year, plus the cost of investments acquired, less the net receipts from investments sold during the fiscal year, shall be determined for each valuation date. The admitted value of the investments of the variable annuity investment fund at the end of each fiscal year shall be the book value of all investments held at such date multiplied by the average of the ratios at the 12 bimonthly valuation dates for the fiscal year and the immediately preceding fiscal year. The book value of investments during any fiscal year shall be the admitted value at the end of the preceding fiscal year or the cost of such investments if acquired during the fiscal year.

Subd. 6 [ACCOUNTING PROCEDURES.] Notwithstanding provisions of section 10, the following procedures shall be employed by the board:

(1) The earnings from the investments of the variable annuity investment fund shall consist of dividends, interest and all other income derived from the investments and shall be determined on an accrual basis as of each bimonthly valuation date. The income shall be attributed to those funds in the account at the beginning of the bimonthly period. Earnings from investments shall not include changes in the admitted values of investments.

(2) Any realized gain or loss shall be recorded in a realized appreciation account, and shall consist of the amount received on sale less the cost of the security. Unrealized gains or losses for any fiscal year shall be determined as provided in subdivision 5.

Subd. 7. [TOTAL ANNUAL INCREMENT OR DECREMENT.] The total annual increment or decrement for any one year shall be the sum of (a) the six bimonthly computations of earnings as computed under subdivision 6, clause (1); (b) total realized gains or losses for the fiscal year as computed under subdivision 6, clause (2), after adjusting for the approximate unrealized gain or loss evidenced for such securities in the admitted value; and (c) total unrealized gains or losses for the fiscal year as computed under subdivision 6, clause (2)

Subd. 8. [RATE OF RETURN.] The total annual increment or decrement divided by the admitted value of the assets

of the Minnesota variable annuity fund, as computed pursuant to subdivision 5, shall be defined as the rate of return for the fiscal year. The rate of return is to be used as the percentage of increase or decrease which shall be credited to the individual member's account balances at the end of the fiscal year.

Sec. 18 [11A.18] [INVESTMENT OF STATE TREASURY FUNDS NOT CURRENTLY NEEDED.] *Subdivision 1. [CERTIFICATION OF STATE TREASURY FUNDS NOT CURRENTLY NEEDED.] The state treasurer shall make a report to the commissioner of finance daily or at such other times as the commissioner of finance shall determine of the funds in the state treasury together with any other information which the commissioner may prescribe. When there are funds in the state treasury over and above the amount that the commissioner of finance has advised the treasurer is currently needed, the state treasurer shall certify to the state board of investment the amount thereof.*

Subd. 2. [INVESTMENT.] The certified amount of state treasury funds not currently needed shall be invested by the board subject to the provisions of section 23.

Subd. 3. [CREDITING OF INVESTMENT INCOME.] Notwithstanding provisions of section 10, all investment income and all investment losses attributable to the investment of state treasury funds not currently needed shall be credited to the general fund.

Sec. 19. [11A.19] [INVESTMENT OF HIGHWAY FUNDS.] *Subdivision 1. [CERTIFICATION OF HIGHWAY FUNDS.] The commissioner of transportation shall certify to the board those portions of the trunk highway fund established pursuant to Article XIV, Section 6 of the constitution of the state of Minnesota, the county state-aid highway fund established pursuant to Article XIV, Section 7 of the constitution of the state of Minnesota and the municipal state-aid street fund established pursuant to Article XIV, Section 8 of the constitution of the state of Minnesota which in the judgment of the commissioner are not required for immediate use.*

Subd. 2. [INVESTMENT.] The certified amount of highway funds not currently needed shall be invested by the board subject to the provisions of section 23.

Sec. 20. [11A.20] [STATE ZOOLOGICAL GARDEN OPERATING RECEIPTS INVESTMENT ACCOUNT.] *Subdivision 1. [ESTABLISHMENT.] There is hereby established a zoological garden operating receipts investment account for the purpose of investing funds not required for immediate use.*

Subd. 2. [CERTIFICATION OF RECEIPTS.] The state zoological garden board shall, from time to time, certify to the board the amount of funds available for investment.

Subd. 3. [INVESTMENT.] Amounts certified to the state zoological garden operating receipts investment account shall be invested by the board subject to the provisions of section 23.

Subd. 4. [CREDITING OF INVESTMENT INCOME.] Notwithstanding provisions of section 10, all investment income and all investment losses attributable to the investment of the account shall be credited to or borne by the state zoological garden general account.

Subd. 5. [WITHDRAWAL OF FUNDS.] Upon certification by the state zoological garden board that moneys in the state zoological garden operating receipts investment account are needed for current purposes, the board shall sell sufficient securities to equal the amount of moneys certified as needed and shall order the transfer of the moneys to the state zoological garden general account.

Sec. 21. [11A.21] [INVESTMENT OF RETIREMENT FUNDS AND PLANS.] *Subdivision 1. [CERTIFICATION OF ASSETS NOT NEEDED FOR IMMEDIATE USE.] Each executive director administering a retirement fund or plan enumerated in subdivision 4 shall, from time to time, certify to the board for investment those portions of the assets of the retirement fund or plan which in the judgment of the executive director are not required for immediate use. Assets of the fund or plan required for participation in the Minnesota adjustable fixed benefit fund, the combined investment fund, the supplemental retirement investment fund or the variable annuity investment fund shall be transferred to those funds as provided by sections 1 to 23.*

Subd. 2. [INVESTMENT.] Retirement fund assets certified to the board pursuant to subdivision 1 shall be invested by the board subject to the provisions of section 22. Retirement fund assets transferred to the Minnesota adjustable fixed benefit fund, the combined investment fund, the supplemental retirement investment fund or the variable annuity investment fund shall be invested by the board as part of those funds.

Subd. 3. [WITHDRAWAL OF ASSETS.] When an executive director administering a retirement fund or plan enumerated in subdivision 4, certifies to the board that invested assets of the fund or plan are required for immediate use, the board shall sell securities to equal the amount of assets certified as required and shall order the transfer of the assets to the appropriate executive director.

Subd. 4. [COVERED RETIREMENT FUNDS AND PLANS.] The provisions of this section shall apply to the following retirement funds and plans:

(1) *State university and state community college supplemental retirement plan established pursuant to Minnesota Statutes, Section 136.80 to 136.87;*

(2) *State employees retirement fund established pursuant to Minnesota Statutes, Chapter 352;*

(3) *Correctional employees retirement plan established pursuant to Minnesota Statutes, Chapter 352;*

(4) *Highway patrol retirement fund established pursuant to Minnesota Statutes, Chapter 352B;*

(5) *Unclassified employees retirement plan established pursuant to Minnesota Statutes, Chapter 352D;*

(6) *Public employees retirement fund established pursuant to Minnesota Statutes, Chapter 353;*

(7) *Public employees police and fire fund established pursuant to Minnesota Statutes, Chapter 353;*

(8) *Teachers' retirement fund established pursuant to Minnesota Statutes, Chapter 354;*

(9) *Judges' retirement fund established pursuant to Minnesota Statutes, Chapter 490; and*

(10) *Any other funds required by law to be invested by the board.*

Sec. 22. [11A.22] [AUTHORIZED INVESTMENTS.]
Subdivision 1. [SECURITIES GENERALLY.] *The board shall have the authority to purchase, sell, lend or exchange the following securities for funds or accounts specifically made subject to this section including the writing of covered call options.*

Subd. 2. [GOVERNMENT OBLIGATIONS.] *The board may invest funds in governmental bonds, notes, bills, mortgages and other fixed obligations, including guaranteed or insured issues of (a) the United States, its agencies or its instrumentalities, including financial contracts traded upon a contract market designated and regulated by a federal agency; (b) Canada and its provinces, provided the principal and interest is payable in United States dollars; (c) the states and their municipalities, political subdivisions, agencies or instrumentalities, where backed by the state's full faith and credit or if the issuer has not been in default in payments of principal or interest within the past ten years or in the case of revenue bonds the obligor has been completely self-supporting for the five prior years; (d) the International Bank for Reconstruction and development, the Inter-American Development Bank, the Asian development*

Bank, or any other United States Government sponsored organization of which the United States is a member, provided the principal and interest is payable in United States dollars and the issues are rated in the highest quality category by a nationally recognized rating agency.

Subd. 3. [CORPORATE OBLIGATIONS.] The board may invest funds in bonds, notes, debentures, transportation equipment obligations, or any other longer term evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or any state thereof, or the Dominion of Canada or any province thereof if they conform to the following provisions:

(a) The principal and interest of obligations of corporations incorporated or organized under the laws of the Dominion of Canada or any province thereof shall be payable in United States dollars;

(b) The consolidated net pretax earnings of corporations other than finance corporations shall have been on average for the preceding five years at least 1.5 times the annual interest charges on total funded debt applicable to that period;

(c) The consolidated net pretax earnings of banks and finance corporations shall have been on average for the preceding five years at least 1.2 times the annual interest charges on total funded debt applicable to that period;

(d) Obligations shall be rated among the top three quality categories by a nationally recognized rating agency or if unrated, then the corporation shall have other comparably secured issues similarly rated or the consolidated net pretax earnings of the corporation shall have been on average for the preceding five fiscal years at least twice the ratios required in clauses (b) and (c).

Subd. 4. [OTHER OBLIGATIONS.] The board may invest funds in bankers acceptances, certificates of deposit, commercial paper, participating interests in mortgage pools, repurchase agreements and reverse repurchase agreements and savings accounts if they conform to the following provisions:

(a) Bankers acceptances of United States banks shall be limited to those eligible for purchase by the Federal Reserve System;

(b) Certificates of deposit shall be limited to those issued by banks and savings institutions that meet the collateral requirements established in Minnesota Statutes, Section 9.031, unless sufficient volume is unavailable at competitive interest rates. In that event, noncollateralized certificates of deposit may be purchased from United States banks and savings institutions

that are rated in the highest quality category by a nationally recognized rating agency;

(c) Commercial paper shall be limited to those issued by United States corporations or their Canadian subsidiaries, shall be of the highest quality and mature in 270 days or less;

(d) Participating interests in pools of loans represented by notes or bonds secured by first mortgages or trust deeds on improved real estate located in the United States issued by one or more bank or savings institution, where, in the event of a default of any note or bond, there is a guarantee of replacement by a note or bond of the same value and of security comparable to other notes or bonds in the pool, and where the loan to value ratio for each loan does not exceed 80 percent for fully amortizable residential properties and in all other respects meets the requirements of Minnesota Statutes, Section 61A.28, Subdivision 3.

(e) Repurchase agreements and reverse repurchase agreements shall be limited to one of the securities described in subdivision 2a;

(f) Savings accounts shall be limited to those fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

Subd. 5. [CORPORATE STOCKS.] The board may invest funds in preferred stocks, common stocks or convertible issues of any corporation organized under the laws of the United States or the states thereof if they conform to the following provisions:

(a) The aggregate value of corporate stock investments, as adjusted for realized profits and losses, shall not exceed 50 percent of the book value of a fund;

(b) Investments in any one corporation shall not exceed three percent of the book value of a fund;

(c) Investments shall not exceed five percent of the total outstanding shares of any one corporation;

(d) Cash dividends on corporate stock investments shall have been earned and paid for the preceding five years;

(e) Investments which do not conform to the dividend standard contained in clause (d) may be held but the total amount of these securities shall not exceed five percent of the book value of a fund.

Sec. 23. [11A.23] [ADDITIONAL INVESTMENT PROVISIONS.] When investing assets of any funds or accounts

specifically made subject to this section or not otherwise referred to in sections 1 to 23, all securities shall be debt obligations maturing within three years of the date of purchase and shall conform to the applicable provisions of section 22.

Sec. 24. Minnesota Statutes, 1979 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:

	Salary or Range	
	Effective	Effective
	July 1, 1979	July 1, 1980
Administration, department of commissioner	\$44,000	\$47,000
Agriculture, department of commissioner	38,000	40,000
Commerce, department of commissioner of banks	34,000	36,500
commissioner of insurance	34,000	36,500
commissioner of securities	34,000	36,500
director of consumer services	28,000	30,000
Community college system chancellor	44,000	46,000
Corrections, department of commissioner	42,000	45,000
ombudsman	33,000	35,000
Crime control planning board, executive director	33,000	35,000
Economic development, department of commissioner	34,000	36,000

	1979	1980
Economic security, department of commissioner	43,000	45,000
Education, department of commissioner	43,000	45,000
Energy agency director	38,000	40,000
Finance, department of commissioner	48,000	50,000
Health, department of commissioner	47,000	49,000
Hearing examiners office chief hearing examiner	38,000	40,000
Higher education coordinating board executive director	40,000	42,000
Housing finance agency executive director	39,000	41,000
Human rights, department of commissioner	31,000	33,000
Indian affairs board executive director	27,000	29,000
(INVESTMENT, BOARD OF EXECUTIVE SECRETARY)	(42,000)	(44,000)
Iron range resources and rehabilitation board commissioner	30,000	31,000
Labor and industry, department of commissioner	38,000	40,000
Judge of the workers' compensation court of appeals	38,000	40,000
Mediation services, bureau of director	36,000	38,000

	1979	1980
Natural resources, department of commissioner	44,000	47,000
Personnel, department of commissioner	44,000	47,000
Planning agency director	43,000	45,000
Pollution control agency director	38,000	40,000
Public safety, department of commissioner	38,000	41,000
Public service, department of commissioner, public service commission	34,000	36,000
director	34,000	36,000
Public welfare, department of commissioner	44,000	48,000
Revenue, department of commissioner	44,000	47,000
State university system chancellor	44,000	46,000
Transportation, department of commissioner	44,000	48,000
Veterans affairs, department of commissioner	31,000	33,000

Sec. 25. Minnesota Statutes, 1979 Supplement, Section 43.-064, is amended to read:

43.064 [OTHER SALARIES SET BY COMMISSIONER OF PERSONNEL.] Notwithstanding any other law to the contrary, compensation for all unclassified positions in the executive branch not enumerated in the listing described in section 15A.-081, shall be established by the commissioner except for the following: (1) positions listed in section 299D.03; (2) employees in the office of the governor whose salaries shall be determined by the governor; (3) employees in the office of the attorney general; (4) *employees of the state board of investment*; (5) posi-

tions 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, or conducting academic support programs; and the positions of state university and community college presidents. Individual salaries for positions enumerated in clauses (3) (AND), (4) and (5) and for classified hearing examiners in the office of hearing examiners shall be determined by the attorney general, *the state board of investment*, the state university board, the state board for community colleges, the higher education coordinating board, and the chief hearing examiner, respectively, within the limits of salary plans which shall have been approved by the commissioner 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) *the* subsequent act that the provisions of this section shall not be applicable or shall be superseded, amended, or repealed.

Sec. 26. Minnesota Statutes 1978, Section 69.77, Subdivision 2, as amended by Laws 1980, Chapter 341, Section 1, is amended to read:

Subd. 2. Subdivision 1 does not apply to an association enumerated in subdivision 1a under the following circumstances:

(1) Each member of the association pays into the retirement funds of the association during his term of covered employment from and after January 1, 1981, a contribution for retirement and survivorship benefits of not less than eight percent of the maximum rate of salary from which retirement and survivorship credits and amounts of benefits are determined, and that (SUCH) *the* contributions of a member are deducted from his salary by his governmental employer, transmitted to the association, and deposited to the credit of the proper fund thereof, provided that to avoid undue increase in the amount of employee contributions in any one year, any increase in the amount of contributions required by this section may be spread over several years, but the increase in rate of contribution in each year commencing in 1981 shall not be less than one percent until the appropriate levels of required employee contributions have been reached. This paragraph shall not apply to members who are volunteer firefighters, provided that the local governing body shall have given their approval to the exemption following consideration of the most recent actuarial survey.

(2) The officers of the association determine on or before the date established by the municipality, which shall not be later than September 1 and shall not be earlier than August 1, of each year the financial requirements and minimum obligation of

the association for the following calendar year in accordance with the following requirements:

The financial requirements shall be based on the most recent actuarial survey prepared in accordance with sections 356.215, subdivision 4 and 356.216.

The normal level cost expressed as a percent of covered payroll determined from the actuarial survey shall be applied to the estimated covered payroll of the membership for the following year to determine the dollar amount of normal cost for said following year.

To the dollar amount of normal cost thus determined shall be added the amount of one year's interest at five percent on the amount of the (deficit) unfunded liability found by the actuarial survey of the fund.

The total of these two amounts represents the financial requirements of the association for the following year.

Except as otherwise provided in this paragraph, the minimum obligation of the governmental subdivision shall be the financial requirements of the association less member contributions herein provided from covered salary and less one year's estimated receipts expected from the state of Minnesota through state collected insurance premium taxes or other state aids. The minimum obligation may, by vote of the governing body of the governmental subdivision, be reduced to the amount levied in the preceding year for purposes of the association, plus the following percentage of the difference between that levy and the amount of the minimum obligation determined without benefit of this sentence: for the levy made in 1971, 10 percent; in 1972, 20 percent; in 1973, 30 percent; in 1974, 40 percent; in 1975, 50 percent; in 1976, 60 percent; in 1977, 70 percent; in 1978, 80 percent; and in 1979, 90 percent. Commencing with the levy made in 1980, there shall be no reduction in the minimum obligation pursuant to this paragraph.

(3) The foregoing determination of the obligation of a governmental subdivision shall be submitted to its governing body not later than September 1 of each year so that it may ascertain if it has been prepared in accordance with law.

(4) The governmental subdivision shall provide and pay as promptly as funds are available to the association at least the amount of the minimum obligation each year. Any portion of this amount not paid to the association at the end of any calendar year shall be increased at the rate of six percent per annum until so paid. On September 1 of any year the unpaid amount subject to interest shall be added to the obligation of the governmental subdivision.

(5) The governmental subdivision shall provide in its annual budget at least its minimum obligation and may levy taxes for the payment thereof without limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of any fund of the association has attained a specified level; the levy of (SUCH) taxes shall not cause the amount of other taxes levied or to be levied by the governmental subdivision, which are subject to any such limitation, to be reduced in any amount whatsoever. If the governmental subdivision does not include the full amount of the minimum obligation in its levy for any year, the officers of the association shall certify that amount to the county auditor, who shall spread a levy in the amount of (SUCH) the obligation.

(6) Moneys paid by the governmental subdivision to the association in excess of the minimum amount so required shall be applied to the reduction in the unfunded liabilities of the association.

(7) The funds of the association shall be invested in securities which are proper investments (FOR FUNDS OF THE MINNESOTA STATE RETIREMENT SYSTEM) pursuant to section 22, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the three percent stock limitation (APPLICABLE TO THE MINNESOTA STATE RETIREMENT SYSTEM) specified in section 22, subdivision 5, clause (b) would necessitate a lesser investment. Securities held by the association before July 1, 1971, which do not meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on April 28, 1969. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board of investment under the provisions of section (11.21) 15, provided that there be no share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 2), or in the fixed-return account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3A), and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental retirement investment fund may be invested in the growth share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3).

(8) The association shall procure an actuarial survey showing the condition of its fund pursuant to section 356.216 as of December 31, 1978, and shall procure an actuarial survey every two years thereafter. The association shall also procure a quadrennial experience study pursuant to section 356.216 as of December 31, 1978, and shall procure a quadrennial experience study every four years thereafter. A copy of the actuarial survey and the quadrennial experience study shall be filed with the director of the legislative reference library, the governing body of the municipality in which the association is organized, the executive secretary of the legislative commission on pensions and

retirement, and the commissioner of insurance, not later than June 1 of the following year.

Sec. 27. Minnesota Statutes 1978, Section 69.775, is amended to read:

69.775 [INVESTMENTS.] The special fund assets of the relief associations governed by sections 69.771 to 69.776 shall be invested in securities which are proper investments (FOR FUNDS OF THE MINNESOTA STATE RETIREMENT SYSTEM) *pursuant to section 22*, except that up to five percent of the special fund assets, or a minimum of \$10,000, may be invested in the stock of any one corporation. Securities held by the associations before January 1, 1972, which do not meet the requirements of this section may be retained after that date if they were proper investments for the association on May 14, 1971. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board of investment under the provisions of section (11.21) 15, provided that there be no limit to the amount which may be invested in the income share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 2), or in the fixed-return account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3A), and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental retirement fund may be invested in the growth share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3).

Sec. 28. Minnesota Statutes 1978, Section 124.46, Subdivision 4, is amended to read:

Subd. 4. Bonds shall be issued pursuant to this section only when authorized by a law specifying the purpose thereof and the maximum amount of the proceeds authorized to be expended for (SUCH) *that* purpose. Any act authorizing the issuance of bonds in the manner provided in this section shall, together with this section, constitute complete authority for (SUCH) *the* issue, and (SUCH) *the* bonds shall not be subject to the restrictions or limitations contained in any other law. Bonds issued pursuant hereto (MAY BE PURCHASED BY THE STATE BOARD OF INVESTMENT FOR THE PERMANENT SCHOOL FUND, SWAMP LAND FUND, INTERNAL IMPROVEMENT LAND FUND, OR ANY OTHER FUND FOR WHICH INVESTMENTS MAY BE MADE BY THE STATE BOARD OF INVESTMENT OR) may be sold (ELSEWHERE) at public or private sale and shall be deemed "authorized securities" within the provisions of section 50.14 and acts amendatory thereof or supplemental thereto.

Sec. 29. Minnesota Statutes 1978, Chapter 125, is amended by adding a section to read:

[125.031] [LICENSURE, AREA VOCATIONAL-TECHNICAL SCHOOL INSTRUCTORS TEACHING LESS THAN 20

HOURS A YEAR.] *Notwithstanding section 125.03, subdivision 1, a person who teaches in an area vocational-technical school less than 20 hours in a school year is exempt from a license requirement.*

Sec. 30. Minnesota Statutes 1978, Section 167.42, is amended to read:

167.42 [PLEDGE OF FULL FAITH AND CREDIT.] The full faith and credit of the state of Minnesota is hereby irrevocably pledged to the payment of the principal of and the interest on the bonds authorized by sections 167.39 to 167.45. (SUCH) *The* bonds shall be issued and sold on competitive bids after reasonable notice (, OR DIRECT TO THE STATE BOARD OF INVESTMENT WITHOUT BIDS AND THAT BOARD IS HEREBY AUTHORIZED TO INVEST ANY FUNDS UNDER ITS CONTROL OR DISCRETION IN ANY OF THESE BONDS, NOTWITHSTANDING ANY LIMITATIONS IMPOSED BY SECTION 11.10 OR ANY OTHER PROVISIONS OF LAW). (SUCH) *The* bonds shall be issued and sold by the state auditor under (SUCH) rules (AND REGULATIONS) and in (SUCH) *the* form and denominations as he shall determine and shall be attested by the secretary of state. (SUCH) *The* rules may provide for the maturity, registration, conversion and exchange of the bonds so issued; all bonds maturing more than three years after their date may be made redeemable at par at the expiration of (SUCH) *the* three years and on each interest payment date thereafter upon (SUCH) notice as (SUCH) *the* rules, made prior to the issuance of the bonds, may provide. All expenses incident to the printing and the sale of the bonds, including actual and necessary traveling expenses of state officers and employees for (SUCH) *the* purpose, shall be paid from the trunk highway fund and the amounts therefor are hereby appropriated from (SAID) *that* fund. The provisions of sections 15.041 to 15.044 shall not apply to the rules (AND REGULATIONS) promulgated pursuant hereto. The state auditor shall keep a record showing the number, date of issue and date of maturity of each (SUCH) bond.

Sec. 31. Minnesota Statutes 1978, Section 167.50, Subdivision 2, is amended to read:

Subd. 2. (SAID) *The* bonds shall be issued and sold upon sealed bids after two weeks' published notice (, OR THEY MAY BE SOLD DIRECTLY TO THE STATE BOARD OF INVESTMENT WITHOUT BIDS). They shall mature serially over a term not exceeding 20 years from their respective dates of issue, shall not be sold for less than par and accrued interest, and shall not bear interest at a greater rate than five percent per annum. Subject to the foregoing limitations, and subject to any other limitations stated in the acts authorizing (SUCH) *the* bonds and appropriating the proceeds thereof, but not subject to the provisions of sections 15.0411 to 15.0422, (SUCH) *the* bonds shall be issued and sold in (SUCH) *the* number of series, at

(SUCH) times, in (SUCH) *the* form and denominations, bearing interest at (SUCH) *the* rate or rates, maturing on (SUCH) dates, either without option of prior redemption or subject to prepayment upon (SUCH) notice and at (SUCH) *the* times and prices, payable at (SUCH) *the* bank or banks, within or without the state, with (SUCH) provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale and delivery of definitive bonds, and in accordance with (SUCH) further regulations, as the commissioner of finance may determine. The bonds shall be executed by the commissioner of finance and attested by the state treasurer under their official seals. The signature of one of these officers on the face of any bond, and their seals, and the signatures of both officers on the interest coupons appurtenant to any bond, may be printed, lithographed, stamped, or engraved thereon.

Sec. 32. Minnesota Statutes 1978, Section 193.146, Subdivision 4, is amended to read:

Subd. 4 [SALE.] (SUCH) *The* bonds shall be sold by (SUCH) *the* corporation under (SUCH) notice and upon (SUCH) *the* terms and at (SUCH) times as the corporation shall deem best. (SUCH) *The* bonds shall not be deemed or construed to be debts of the state of Minnesota or of the county or municipality in which (SUCH) *the* armory is situated, nor to impose any personal liability upon any member of (SUCH) *the* corporation, but shall be payable solely out of the income to be received by (SUCH) *the* corporation as specified herein. Bonds legally issued pursuant hereto (MAY BE PURCHASED BY THE STATE BOARD OF INVESTMENT FOR THE PERMANENT SCHOOL FUND, PERMANENT UNIVERSITY FUND, SWAMP LAND FUND, INTERNAL IMPROVEMENT LAND FUND, OR ANY OTHER TRUST FUND OF THE STATE OF MINNESOTA, OR FOR ANY OTHER FUND ADMINISTERED BY SUCH BOARD, AND) shall be deemed authorized securities within the provisions of section 50.14, and laws supplemental thereto, and shall be proper for the investment of capital, surplus, or deposits of any savings bank or trust company, and for the investment of funds of any insurance company, and for the investment of any sinking funds held by any public or municipal corporation, and may be pledged by any bank or trust company as security for the deposit of public moneys therein in lieu of surety bonds. (SUCH) *The* bonds shall be deemed and treated as instrumentalities of a public governmental agency, and as such shall be exempt from taxation.

Sec. 33. Minnesota Statutes 1978, Section 352.75, Subdivision 3, is amended to read:

Subd. 3. [EXISTING RETIRED MEMBERS AND BENEFIT RECIPIENTS.] As of the effective date of Laws 1978, Chapter 538, the liability for all retirement annuities, disability benefits, survivorship annuities and survivor of deceased active

employee benefits 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 Laws 1978, Chapter 538 and the required reserves for the increase in annuities and benefits provided pursuant to subdivision 6 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 Laws 1978, Chapter 538 but shall be considered transferred as of June 30, 1978. The annuity or benefit amount in effect on the effective date of Laws 1978, Chapter 538, including the increase granted pursuant to subdivision 6, 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 SUBDIVISION 6. 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) 16. 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.

Sec. 34. Minnesota Statutes 1978, Section 352B.26, Subdivision 3, is amended to read:

Subd. 3. [VALUATION OF ASSETS; ADJUSTMENT OF BENEFITS.] (1) As of June 30, 1969, the present value of

all annuities, including joint and survivor annuities and qualified recipients of surviving spouse benefits, in force as of June 30, 1969, and as amended in accordance with Laws 1969, Chapter 977, shall be determined in accordance with the United States Life Tables, 1959-61, white males and white females, calculated with an interest assumption of three and one-half percent and assets representing the required reserves for these annuities shall be transferred to the Minnesota adjustable fixed benefit fund, during a period of one year in accordance with procedures specified in *Minnesota Statutes 1969*, Section 11.25. The provisions of this clause apply to all annuities which are payable under this chapter.

(2) Effective July 1, 1969, for those employees commencing to receive annuities and qualified recipients of surviving spouse benefits, or joint and survivor annuities, pursuant to this chapter, and acts amendatory thereof, the required reserves as determined in accordance with this section shall be transferred to the Minnesota adjustable fixed benefit fund as of the date benefits begin to accrue after June 30, 1969.

(3) Annuity payments shall be adjusted in accordance with the provisions of section 11.25, subdivisions 12 and 13.

(4) Notwithstanding section 356.18, increases in annuity payments pursuant to this section shall be made automatically unless written notice is filed by the annuitant with the executive director of the Minnesota state retirement system requesting that the increase shall not be made.

Sec. 35. Minnesota Statutes, 1979 Supplement, Section 353.-01, Subdivision 2b, is amended to read:

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

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

(b) Election officers.

(c) Independent contractors and their employees.

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

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

(f) Employees who hold positions of an essentially temporary or seasonal character, provided (SUCH) *the* employment does not continue for a period in excess of 120 working days in

any calendar year. Immediately following the expiration of (SUCH) 120 working days if (SUCH) *the* employees continue in public service and earn in excess of \$250 in any one calendar month, the department heads must then report (ALL SUCH) *the* employees for membership and must cause employee contributions to be made on behalf of (SUCH) *the* employees in accordance with section 353.27, subdivision 4, and they shall remain members until termination of public service.

(g) Part-time employees other than firefighters who receive monthly compensation not exceeding \$250, and part-time employees other than firefighters and elected officials whose annual compensation is stipulated in advance to be not more than \$3,000 (PER) *a* year, except that members shall continue their membership until termination of public service.

(h) Persons who first occupy an elected office after March 1, 1978, the compensation for which does not exceed \$250 (PER) *a* month.

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

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

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

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

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

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

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

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

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

(r) Town, city or county assessors elected or appointed pursuant to chapter 273 who do not receive compensation in excess of \$250 (PER) a month from any one employing governmental subdivision or who are employed pursuant to an employment contract which sets forth the total compensation to be paid and the length of service, not to exceed three months in duration, required for the performance of the contract and which was entered into in advance of the commencement of employment.

(s) Volunteer firefighters as defined in subdivision 34.

(t) A person holding a part time adult supplementary vocational-technical school license who renders part-time teaching service in a vocational-technical school if the service is incidental to the person's regular nonteaching occupation and if the applicable vocational-technical school stipulates annually in advance that the part-time teaching service will not and the part-time teaching service actually does not exceed 200 hours in a fiscal year.

Sec. 36. Minnesota Statutes, 1979 Supplement, Section 353.023, is amended to read:

353.023 [TRANSFER OF PENSION COVERAGE OF MINNEAPOLIS MUNICIPAL EMPLOYEES RETIREMENT FUND COORDINATED PROGRAM.] Notwithstanding any provisions of law to the contrary, as of July 1, 1979, all active members of the coordinated program of the Minneapolis municipal employees retirement fund established pursuant to Minnesota Statutes 1978, Sections 422A.30 to 422A.39, shall cease to be members of the program of that fund and shall cease to have any accrual of service credit, rights, or benefits under the benefit plan of that program. From and after July 1, 1979, all

active members of the coordinated program will have their retirement coverage transferred to the coordinated program of the public employees retirement association. The accrued liability for retirement coverage of these members to date shall be transferred to the coordinated program of the public employees retirement association and shall no longer be the liability of the Minneapolis municipal employees retirement fund. Within 30 days of July 1, 1979, the board of trustees of the Minneapolis municipal employees retirement fund shall transfer the entire assets attributable to the coordinated program of the Minneapolis municipal employees retirement fund to the coordinated program of the public employees retirement association. The assets transferred shall be an amount equal in value to the amount of employee contributions made by coordinated program members since July 1, 1978, the amount of employer matching contributions made by an employing unit on behalf of a coordinated program member since July 1, 1978, an amount equal to the employer additional contribution for the members of the coordinated program, and an amount equal to the investment income earned by the fund on the invested assets of the program since July 1, 1978. The assets transferred to the public employees retirement fund shall only include securities which are proper investments pursuant to *Minnesota Statutes 1978*, Section 11.16. Within 30 days of July 1, 1979, the board of trustees and the actuary of the Minneapolis municipal employees retirement fund shall transfer to the public employees retirement association original copies of all records and documents which are in their possession relating to the coordinated program of the Minneapolis municipal employees retirement fund and any of its members and shall provide from time to time whatever additional relevant information which the board of trustees of the public employees retirement association may request. Upon the transfer of the assets, liabilities and records of the coordinated program of the Minneapolis municipal employees retirement fund to the coordinated program of the public employees retirement association, the coordinated program of the Minneapolis municipal employees retirement fund shall terminate and shall cease to exist.

Sec. 37. *Minnesota Statutes 1978*, Section 353.661, Subdivision 3, is amended to read:

Subd. 3. [TRANSFER OF EXISTING RECIPIENTS OF PENSION AND OTHER RETIREMENT BENEFITS.] As of July 1, 1978, the accrued liability for all retirement annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits paid or payable by the university of Minnesota police department retirement plan and fund shall be transferred to the public employees police and fire fund and shall no longer be the liability of the university of Minnesota police department retirement plan and fund. The required reserves for retirement annuities in effect as of June 30, 1978, including future automatic survivor benefits for survivors of deceased former retirement annuitants attributable to those an-

nunities, and required reserves for benefits of survivor of deceased former retirement annuitants in effect as of June 30, 1978 shall be determined using a five percent interest assumption and the applicable public employees police and fire fund mortality table and shall be transferred by the public employees police and fire fund to the Minnesota adjustable fixed benefit fund on July 1, 1978 but shall be considered transferred as of June 30, 1978. The annuity or benefit amount on July 1, 1978 shall be considered the "originally determined benefit" for purposes of further adjustments 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 UNIVERSITY OF MINNESOTA POLICE DEPARTMENT RETIREMENT PLAN AND FUND ON OR BEFORE JUNE 30, 1977. 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) 16. For persons receiving benefits as survivors of deceased former retirement annuitants, the benefit shall be considered as having commenced on the date on which the retirement annuitant began receiving the retirement annuity.

Sec. 38. Minnesota Statutes 1978, Section 354.05, Subdivision 2, as amended by Law 1980, Chapter 342, Section 8, is amended to read:

Subd. 2. [TEACHER.] The word "teacher" includes any person who has rendered, is rendering, or shall hereafter render, service as a teacher, supervisor, principal, superintendent, or librarian in the public schools of the state, located outside of the corporate limits of the cities of the first class, in the state universities, or in any charitable or state institution including penal and corrective institutions supported, in whole or in part, by public funds, or who has been engaged, is engaged, or shall hereafter be engaged, in educational administration in connection with the state public school system, including the state university system and state community college system, but excluding the university of Minnesota, whether the position be a public office or an employment, not including members of any general governing or managing board or body connected with such systems, or the of-

ficers of common, independent, special, or associated school districts, or unorganized territory. The term shall also include an employee of the teachers retirement association employed subsequent to July 1, 1969, and any nurse, counselor, social worker or psychologist who has rendered, is rendering or shall hereafter render service in the public schools as defined above or in state universities. The term shall also include any person who renders teaching service on a part time basis and who also renders other services for a school district. In such cases, the teachers retirement association shall have the authority to determine whether all or none of such combined employment will be covered by the teachers retirement association. The term does not mean any person who works for such school or institution as an independent contractor. (THE TERM ALSO DOES NOT MEAN A PERSON WHO WORKS FOR A SCHOOL OR INSTITUTION ON A PART TIME BASIS PROVIDED: (1) THE PERSON WAS NOT REQUIRED TO MAKE CONTRIBUTIONS TO THE FUND DURING THE CURRENT FISCAL YEAR; (2) THE PERSON HAS CERTIFIED THAT HE HAS ESTABLISHED AND IS CONTRIBUTING TO AN INDIVIDUAL RETIREMENT ACCOUNT BASED ON NON TEACHING EMPLOYMENT; AND (3) THE CERTIFICATION IS MADE ANNUALLY ON A FORM PRESCRIBED BY THE EXECUTIVE DIRECTOR.) The term shall not include any person employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act from the after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing on forms prescribed by the executive director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal comprehensive training and employment act, or the person agrees in writing on forms prescribed by the executive director to make the required employer contribution in addition to the required employee contribution. *The term shall not include any person holding a part-time adult supplementary vocational-technical school license who renders part-time teaching service in a vocational-technical school if the service is incidental to the regular nonteaching occupation of the person and if the applicable vocational-technical school stipulates annually in advance that the part time teaching service will not and the part-time teaching service does not exceed 200 hours in a fiscal year.*

Sec. 39. Minnesota Statutes, 1979 Supplement, Section 354A-011, Subdivision 11, is amended to read:

Subd. 11. [COORDINATED MEMBER.] "Coordinated member" means any member of the teachers retirement fund

association who is covered by the coordinated program of the association due to the fact that the member is covered by any agreement or modification made between the state and the secretary of health, education and welfare making the provisions of the federal old age, survivors and disability insurance act applicable to certain teachers covered by the association; *except in the case of a member of the Duluth teachers retirement fund association, in which it means additionally that the member either first became a member prior to July 1, 1980 and elected to be covered by the new law coordinated program of the Duluth teachers retirement fund association or first became a member on or subsequent to July 1, 1980.*

Sec. 40. Minnesota Statutes, 1979 Supplement, Section 354A.-092, is amended to read:

354A.092 [SABBATICAL LEAVE.] (IF A) *Any teacher in the coordinated program of either the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association or any teacher in the new law coordinated program of the Duluth teachers retirement fund association who is granted a sabbatical leave, (THE TEACHER) shall be entitled to receive allowable service credit in the applicable association for periods of sabbatical leave. To obtain the service credit, the teacher on sabbatical leave shall make an employee contribution to the applicable association. No teacher shall be entitled to receive more than three years of allowable service credit pursuant to this section for a period or periods of sabbatical leave during any ten consecutive fiscal or calendar years, whichever is applicable for the teachers retirement fund association. If the teacher granted a sabbatical leave makes the employee contribution for a period of sabbatical leave pursuant to this section, the state shall make an employer contribution on behalf of the teacher to the applicable association for that period of sabbatical leave in the manner described in section 354.43, subdivisions 1, 2 and 5. The employee and employer contributions shall be in an amount equal to the employee and employer contribution rates in effect for other active members of the association covered by the same program applied to a salary figure equal to the teacher's actual covered salary for the plan year immediately preceding the sabbatical leave period. Payment of the employee contribution authorized pursuant to this section shall be made by the teacher on or before June 30 of year next following the year in which the sabbatical leave terminated and shall be made without interest. If the employee contributions for the sabbatical leave period are less than an amount equal to the applicable contribution rate applied to a salary figure equal to the teacher's actual covered salary for the plan year immediately preceding the sabbatical leave period, service credit shall be prorated. The prorated service credit shall be determined by the ratio between the amount of the actual payment which was made and the full contribution amount payable pursuant to this section.*

Sec. 41. Minnesota Statutes, 1979 Supplement, Section 354A.093, is amended to read:

354A.093 [MILITARY SERVICE CREDIT.] (IF A) *Any* teacher in the coordinated program of either the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association or *any teacher in the new law coordinated program of the Duluth teachers retirement fund association who is granted a leave of absence to enter military service and (IF THE TEACHER) who returns to active teaching service upon discharge from military service as provided in section 192.262, (THE TEACHER) shall be entitled to receive allowable service credit in the applicable association for all or a portion of the period of military service but not for any voluntary extension of military service beyond the initial period of enlistment, induction or call to active duty which occurred at the instance of the teacher. If the teacher granted the military service leave of absence makes the employee contribution for a period of military service leave of absence pursuant to this section, the state shall make an employer contribution on behalf of the teacher to the applicable association for the period of the military service leave of absence in the manner described in section 354.43, subdivisions 1, 2 and 5. The employee and employer contributions shall be in an amount equal to the employee and employer contribution rates in effect for other active members of the association covered by the same program applied to a salary figure equal to the teacher's annual salary rate at the date of return from military service, multiplied by the number of years constituting the period of the military service leave of absence which the teacher seeks to purchase. Payment shall include interest on the amount payable pursuant to this section at the rate of six percent compounded annually from the year the military service was rendered to the date of payment. If the payments made by a teacher pursuant to this section are less than an amount equal to the applicable contribution rate applied to a salary figure equal to the teacher's annual salary rate at the date of return from military service, multiplied by the number of years constituting the period of the military service leave of absence, service credit shall be prorated. The prorated service credit shall be determined by the ratio between the amount of the actual payment which was made and the full contribution amount payable pursuant to this section. In order to be entitled to receive service credit under this section, payment shall be made within five years from the date of discharge from military service.*

Sec. 42. Minnesota Statutes, 1979 Supplement, Section 354A.12, Subdivision 1, is amended to read:

354A.12 [CONTRIBUTIONS BY EMPLOYEE AND EMPLOYER.] Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] The contribution required to be paid by each member of a teachers retirement fund association shall not be less than the percentage of total salary specified below for the applicable association and programs:

Association and Program	Percentage of Total Salary
Duluth teachers retirement association coordinated program	(4) 4.5 percent
Minneapolis teachers retirement association basic program	8.5 percent
coordinated program	4.5 percent
St. Paul teachers retirement association basic program	8 percent
coordinated program	4.5 percent

Sec. 43. Minnesota Statutes, 1979 Supplement, Section 354A.12, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Notwithstanding any law to the contrary, levies for teachers retirement fund associations in cities of the first class, including levies for any employer social security taxes for teachers covered by the Duluth teachers retirement fund association or the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association, are disallowed and the state shall assume the total employer obligation.

The state shall make the following employer contributions to teachers retirement fund associations:

(a) For any coordinated member of a teachers retirement fund association in a city of the first class, the state shall pay the employer social security taxes in accordance with section 355.46, subdivision 3, clause (b);

(b) For any coordinated member of one of the following teachers retirement fund associations in a city of the first class, the state shall make a contribution to the respective retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

Duluth teachers retirement fund association	(5.79) 6.29 percent
Minneapolis teachers retirement fund association	4.50 percent
St. Paul teachers retirement fund association	4.50 percent

(c) For any basic member of one of the following teachers retirement fund associations in a city of the first class, the state shall make a contribution to the respective retirement fund in an amount equal to the designated percentage of the salary of the basic member as provided below:

Minneapolis teachers retirement fund association	13.35 percent
St. Paul teachers retirement fund association	12.63 percent

The state employer contributions shall be appropriated and remitted directly to each teachers retirement fund association each month in accordance with the procedures described in section 354.43, subdivisions 1, 2, and 5.

Once each month the executive secretary of each teachers retirement fund association shall determine the amount of money necessary and presently needed to meet the state obligation as provided in this subdivision by applying the percentage of payroll figure to the estimated payroll amounts for the current month and shall certify the amount to the commissioner of finance. The moneys required to meet the amounts certified by each executive secretary of a teachers retirement fund association shall be appropriated and remitted directly to the applicable teachers retirement fund association from the general fund each month. If subsequent actual experience deviates from the anticipated experience upon which the amount certified was determined, the allocation to the first class city teachers retirement fund association involved next following the discovery of the deviation shall be adjusted. If the state makes an excess employer contribution to a teachers retirement fund association as the result of a false or wrongful certification, the state shall be entitled to recover the excess employer contribution by any appropriate means, including recovery from future state allocations, state aid or other funds payable to the school district in which the association is located. If an employee of that school district is responsible for the false or wrongful certification, any excess employer contribution recovered by the state shall be the obligation of the school district.

Sec. 44. Minnesota Statutes, 1979 Supplement, Section 354A.24, is amended to read:

354A.24 [DULUTH TEACHERS RETIREMENT FUND ASSOCIATION COORDINATED PROGRAM.] There is established within the Duluth teachers retirement fund association (A COORDINATED PROGRAM WHICH SHALL BE A CONTINUATION OF THE RETIREMENT PROGRAM IN EXISTENCE PRIOR TO JULY 1, 1978 TO PROVIDE RETIREMENT COVERAGE) for teachers who are covered by an agreement or modification made between the state and the sec-

retary of health, education and welfare making the provisions of the federal old age, survivors and disability insurance act applicable to teachers covered by the teachers retirement fund association, *two coordinated programs*:

(1) *an old law coordinated program to provide retirement coverage for teachers who were first employed prior to July 1, 1980 and do not elect to be covered by the new law coordinated program, which program shall be a continuation of the retirement program in existence prior to July 1, 1978; and*

(2) *a new law coordinated program to provide retirement coverage for teachers who were first employed on or subsequent to July 1, 1980 or for teachers who were first employed prior to July 1, 1980 and elect to be covered by the new law coordinated program. The provisions governing the old law coordinated program shall be the (APPLICABLE) portions of this chapter which do not apply specifically to a coordinated program or a coordinated or former coordinated member, the articles of incorporation and bylaws in effect as of March 31, 1975, the provisions of Laws 1976, Chapter 238, Section 15, and any applicable amendments to the articles of incorporation or bylaws of the teachers retirement fund association adopted subsequent to July 1, 1979 in accordance with the provisions of section 354A.12, subdivision 4. The provisions governing the new law coordinated program shall be sections 354A.31 to 354A.41 and any other applicable portions of this chapter, the provisions of sections 10 and 11 of this act, and any applicable amendments to the articles of incorporation or bylaws of the teachers retirement fund association adopted subsequent to July 1, 1980 in accordance with the provisions of section 354A.12, subdivision 4.*

Sec. 45. Minnesota Statutes, 1979 Supplement, Section 354A.32, is amended to read:

354A.32 [OPTIONAL RETIREMENT ANNUITIES.] The boards of the Minneapolis and the St. Paul teachers retirement fund associations shall each establish for the coordinated program *and the board of the Duluth teachers retirement fund association shall establish for the new law coordinated program* an optional retirement annuity which shall take the form of a joint and survivor annuity. Each board may also in its discretion establish an optional annuity which shall take the form of an annuity payable for a period certain and for life thereafter. Each board shall also establish an optional retirement annuity which shall take the form of a guarantee that in the event of death the balance of the accumulated deductions shall be paid to a designated beneficiary. All optional forms shall be the actuarial equivalent of the normal forms provided in section 354A.31. In establishing these optional forms, the board shall obtain the written recommendation of an approved actuary and the recommendation shall be a part of the permanent records of the board.

Sec. 46. Minnesota Statutes, 1979 Supplement, Section 354A.39, is amended to read:

354A.39 [SERVICE IN OTHER PUBLIC RETIREMENT FUNDS; ANNUITY.] Any person who has been a member of the Minnesota state retirement system, the public employees retirement association including the public employees retirement association police and fire fund, the teachers retirement association, the Minnesota highway patrol retirement association, the legislators retirement plan, the constitutional officers retirement plan, the Minneapolis municipal employees retirement fund, *the Duluth teachers retirement fund association new law coordinated program*, the Minneapolis teachers retirement fund association coordinated program, the St. Paul teachers retirement fund association coordinated program, 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 officers or firefighters shall be entitled when qualified to an annuity from each fund if the person's total allowable service in all of the funds or in any two or more of the funds totals ten or more years, provided that no portion of the allowable service upon which the retirement annuity from one fund is based is used again in the computation for a retirement annuity from another fund and provided further that the person has not taken a refund from any of funds or associations since the person's membership in the fund or association has terminated. The annuity from each fund or association shall be determined by the appropriate provisions of the law governing each fund or association, except that the requirement that a person must have at least ten years of allowable service in the respective fund 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.

Sec. 47. Minnesota Statutes, 1979 Supplement, Section 354A.41, is amended to read:

354A.41 [ADMINISTRATION OF COORDINATED PROGRAM.] Subdivision 1. [ADMINISTRATIVE PROVISIONS.] The provisions of the articles of incorporation and bylaws of the Minneapolis or the St. Paul teachers retirement fund association, whichever is applicable, relating to the administration of the fund shall govern the administration of the coordinated program *and the provisions of the articles of incorporation and bylaws of the Duluth teachers retirement fund association relating to the administration of the fund shall govern the administration of the new law coordinated program* in instances where the administrative provisions are not inconsistent with the provisions of sections 354A.31 to 354A.41, including but not limited to provisions relating to the composition and function of the board of trustees, the investment of assets of the teachers retirement fund association, and the definition of the plan year.

Subd. 2. [ACTUARIAL VALUATIONS.] Whenever the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association shall make an actuarial valuation as required by section 356.215 after July 1, 1979, there shall be included in the report of the actuarial valuation a finding of the condition of the fund showing separately the basic and coordinated programs and (INDICATING) *whenever the Duluth teachers retirement fund association shall make an actuarial valuation as required by section 356.215 after July 1, 1980, there shall be included in the report of the actuarial valuation a finding of the condition of the fund showing separately the old law coordinated and new law coordinated programs. The finding shall include the level normal cost, accrued liability, assets, unfunded accrued liability, contribution required to meet the interest at the assumed rate on the unfunded accrued liability, and the contribution required to amortize the unfunded accrued liability by the date specified in section 356.215, subdivision 4, clause (7), for each program.*

Sec. 48. [RETIREMENT COVERAGE FOR CERTAIN TEACHERS.] *Any person who is first employed as a teacher by Independent School District No. 709 on or after July 1, 1980 shall have retirement coverage if otherwise eligible provided by the new law coordinated program of the Duluth teachers retirement fund association and not by the old law coordinated program of the Duluth teachers retirement fund association. Any member of the old law coordinated program of the Duluth teachers retirement fund association may, at any time prior to termination of active service covered by the retirement fund association, elect to have retirement coverage for all service covered by the retirement fund association transferred to and provided by the new law coordinated program of the Duluth teachers retirement fund association.*

Sec. 49. [OLD LAW COORDINATED PROGRAM; INCREASE IN RETIREMENT BENEFITS AUTHORIZED.] *Authorization is hereby granted in accordance with Minnesota Statutes, Section 354A.12, Subdivision 4, for the Duluth teachers retirement fund association to amend its articles of incorporation as follows:*

(1) *Clause (b) of subdivision 1 of article VIII of the articles of incorporation may be amended to provide for an increase in the normal retirement allowance annual formula accrual rate from 1.15 percent of the average final salary of a member as defined in section 3 of article IX to 1.25 percent of the average final salary of a member as defined in section 3 of article IX.*

(2) *A new clause (f) may be added to subdivision 1 of article VIII of the articles of incorporation to provide for an increase of 8.7 percent in the monthly retirement allowance or benefit, exclusive of any allowance or benefit based on shelter or additional contributions, to or on account of a member who retired*

or died prior to July 1, 1980, with payment of the increased amount commencing with the first regular monthly allowance or benefit payment occurring after the adoption of the applicable amendment to the articles of incorporation and compliance with the provisions of Minnesota Statutes, Section 354A.12, Subdivision 4.

(3) Clause (d) of subdivision 8 of article VIII may be amended to provide that the surviving spouse of a member who has attained the age of at least 55 years and has credit for not less than ten years of credited service and who has died in active service may elect to receive, in lieu of the death benefit or the immediate or deferred surviving spouse annuity provided in clause (d) of subdivision 8 of article VIII in effect as of June 30, 1980, an annuity equal to the remainder of the equivalent actuarial value joint and 100 percent survivor annuity which the member would have been entitled to had the member retired on the date of death, computed pursuant to clause (b) of subdivision 1 of article VIII, to cease with the last payment received by the surviving spouse during the surviving spouse's lifetime.

Sec. 50. Minnesota Statutes, 1979 Supplement, Section 424A.-02, is amended by adding a subdivision to read:

Subd. 9a. [POST RETIREMENT INCREASES.] Notwithstanding any provision of general or special law to the contrary, a relief association may, from time to time, with municipal approval pursuant to subdivision 10 and section 69.772, subdivision 6, or section 69.773, subdivision 6, whichever is applicable, provide a post retirement increase to retired members and other retirement benefit recipients of the relief association. The post retirement increase may only be granted pursuant to an amendment to the bylaws of the relief association and shall be applicable only to retired members and other retirement benefit recipients receiving a service pension or retirement benefit as of the effective date of the bylaw amendment. The authority to provide a post retirement increase to retired members and other retirement benefit recipients of a relief association contained in this subdivision shall supersede any prior special law authorization relating to the provision of post retirement increases.

Sec. 51. Minnesota Statutes, 1979 Supplement, Section 424A.-04, is amended to read:

424A.04 [VOLUNTEER RELIEF ASSOCIATIONS; BOARD OF TRUSTEES.] Every volunteer firefighters' relief association shall be managed by a board of trustees consisting of nine members. Six trustees shall be elected from the membership of the relief association and three trustees shall be drawn from the officials of the municipality which has a fire department to which the relief association is directly associated or the municipality which contracts or the municipalities which con-

tract with the independent nonprofit firefighting corporation of which the relief association is a subsidiary. *The bylaws of a volunteer firefighters' association may provide that one of the six trustees required to be elected from the membership of the relief association may be a retired member of the relief association receiving a monthly pension elected by the membership of the fire department.* The ex officio trustees, if the relief association is directly associated with the fire department of a municipality, shall be the mayor, the clerk or clerk-treasurer, and the chief of the municipal fire department. The ex officio trustees, if the relief association is a subsidiary of an independent nonprofit firefighting relief corporation, shall be three elected officials of the contracting municipality designated by the governing body of the municipality if only one municipality contracts with the independent nonprofit firefighting corporation, two elected officials of the largest municipality in population and one elected official of the next largest municipality in population designated by the governing bodies of the applicable municipalities if two municipalities contract with the independent nonprofit firefighting corporation, or one elected official of each of the three largest municipalities in population designated by the governing bodies of the applicable municipalities if three or more municipalities contract with the independent nonprofit firefighting corporation. An ex officio trustee shall have all of the rights and duties accorded to any other trustee except the right to be an officer of the board of trustees. A board shall have at least three officers, which shall be a president, a secretary and a treasurer. These officers shall be elected from among the elected trustees by either the full board of trustees or by the membership, as specified in the bylaws, and in no event shall any trustee hold more than one officer position at any one time. The terms of the elected trustees and of the officers of the board shall be specified in the bylaws of the relief association but shall not exceed three years. If the term of the elected trustees exceeds one year, the election of the various trustees elected from the membership shall initially and shall thereafter continue to be staggered on as equal a basis as is practicable.

It shall be the duty of the board of trustees to faithfully administer any provisions of statute or special law applicable to the relief association without prejudice and consistent with the expressed intent of the legislature. The members of the board shall act as trustees with a fiduciary obligation to the state of Minnesota which authorized the creation of the relief association, the taxpayers who aid in its financing and the firefighters who are its beneficiaries.

Sec. 52. [HIBBING; AUTHORIZATION FOR SEPARATE RELIEF ASSOCIATIONS FOR SALARIED AND VOLUNTEER FIREFIGHTERS.] *Notwithstanding any provisions of any law to the contrary, the city of Hibbing may establish and maintain or continue to maintain two separate relief associations for firefighters employed by or serving with the Hibbing municipal fire department. One relief association shall provide retire-*

ment benefit coverage for regular salaried firefighters employed by the Hibbing municipal fire department and the other relief association shall provide retirement benefit coverage for volunteer firefighters serving with the Hibbing municipal fire department. Any fire state aid amounts received by the city of Hibbing pursuant to Minnesota Statutes, Sections 69.011 to 69.051, shall be allocated proportionately between the two relief associations on the basis of the assessed property value, excluding mineral values, and the population pursuant to the most recent federal census, of the areas which are predominantly served by the members of each relief association, as determined by the governing body of the city of Hibbing.

Sec. 53. [RESTRICTION ON VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION MEMBERSHIP FOR CERTAIN PERSONS.] *No person who is employed by the city of Hibbing as a regular salaried firefighter, and who is a member of the Hibbing salaried firefighters relief association to which Minnesota Statutes, Section 69.77, applies, shall be entitled while so employed after the effective date of this section to be a member of or to accrue any service credit in the relief association which provides retirement benefit coverage for volunteer firefighters serving with the Hibbing municipal fire department and to which Minnesota Statutes, Sections 69.771 to 69.776, apply.*

Sec. 54. [PROPORTIONATE SERVICE PENSION IN CERTAIN CASES.] *Any person who is prohibited from further membership in or from accruing further service credit in the volunteer firefighters' relief association which is established or maintained by the city of Hibbing and to which Minnesota Statutes, Section 69.771 to 69.776 apply and who has not as of the effective date of this act received credit for sufficient years of service with the Hibbing municipal fire department or membership with the Hibbing volunteer firefighters' relief association to be entitled to a service pension without the benefit of this section shall be entitled when otherwise qualified to receive a proportionate service pension based on the number of completed years of service rounded to the nearest full years of service.*

Sec. 55. *Any volunteer firefighters' relief association which had prior special legislative authorization to grant a post retirement increase and which approved a post retirement increase prior to the effective date of Laws 1979, Chapter 201, may grant the post retirement increase, pursuant to section 36, effective retroactively to January 1, 1980.*

Sec. 56. Minnesota Statutes 1978, Section 462.631, Subdivision 1, is amended to read:

462.631 [APPROVED MORTGAGES, BOND ISSUE; LIMITATIONS, PROVISIONS.] Subdivision 1. Any redevelopment company, subject to the approval of the state housing commission, may borrow funds and secure the repayment thereof by bond and mortgage or by an issue of bonds under a trust in-

denture. Each mortgage or issue of bonds of a redevelopment company shall relate only to a single specified project and to no other, and those bonds shall be secured by mortgage upon all of the real property of which (SUCH) *the* project consists. First lien bonds of a redevelopment company, when secured by a mortgage not exceeding 80 percent of the estimated cost prior to the completion of the project, or 80 percent of the appraised value or actual cost, but in no event in excess of 80 percent of the actual cost, after that completion, as certified by the state housing commission, are hereby declared securities in which all public officers and bodies of the state and of its municipal subdivisions, *including the state board of investment if the bonds meet the requirements of section 22, subdivision 2*, all insurance companies and associations, all savings banks and savings institutions, including savings, building and loan associations, executors, administrators, guardians, trustees, and all other fiduciaries in the state may properly and legally invest the funds within their control. The bonds so issued and secured and the mortgage or trust indenture relating thereto may create a first or senior lien and a second or junior lien upon the real property embraced in any project; provided, however, that the total mortgage liens shall not exceed 80 percent of the estimated cost prior to the completion of the project, or 80 percent of the appraised value or actual cost, but in no event in excess of 80 percent of the actual cost after that completion, as certified by the state housing commission; and provided further that, where there are first and second mortgage liens upon the property embraced in a project, only the first or senior lien thereon shall be deemed a security in which (SUCH) *the* officers, bodies, corporations, associations, and fiduciaries may invest the funds within their control. (SUCH) *The* bonds and mortgages may contain (SUCH) other clauses and provisions as shall be approved by the state housing commission, including the right to assignment of rents and entry into possession in case of default; but the operation of the housing project in the event of such entry by mortgagee or receiver shall be subject to regulations promulgated by the state housing commission. Provisions for the amortization of the bonded indebtedness of companies formed under sections 462.415 to 462.711 shall be subject to the approval of the state housing commission. So long as funds made available by the federal government or any instrumentality thereof or any mortgage or mortgage bonds insured by the federal housing administrator or any other instrumentality of the federal government are used in financing, in whole or in part, any project under sections 462.415 to 462.711, the capital structure of a redevelopment company undertaking such project and the proportionate amount of the cost of the lands and improvements to be represented by mortgages or bonds shall be entirely in the discretion of the housing commission; and all restrictions as to the amounts to be represented by mortgages, mortgage bonds, income debenture, or stock shall be inapplicable to (SUCH) *the* projects or to redevelopment companies undertaking (SUCH) *the* projects, except that the bonds, mortgages, debentures, and stock covering any project shall not exceed the total actual final cost of (SUCH) *the* project as defined in section 462.635, clause 2.

Interest rates on mortgage indebtedness shall not exceed five percent per annum.

Sec. 57. Minnesota Statutes 1978, Section 473.417, as amended by Laws 1980, Chapter 342, Section 16, is amended to read:

473.417 [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 until the unfunded accrued liability amount of (\$7,-260,518) \$7,307,545 plus compound interest from July 1, 1978 at the rate of six percent per annum on the average unpaid balance is amortized, as determined by the executive director of the Minnesota state retirement system.

Sec. 58 [PURCHASE OF PRIOR SERVICE BY CERTAIN EMPLOYEES OF THE METROPOLITAN TRANSIT COMMISSION - TRANSIT OPERATING DIVISION.] *Subdivision 1. [ELIGIBILITY.] A person who was employed continuously by the Twin City Lines bus company and by the metropolitan transit commission, its successor in interest from March 3, 1948 until October 1, 1970, who was employed from October 1, 1970 until June 26, 1978 by the management firm retained by the metropolitan transit commission to manage the transit operating division, and who was reemployed since June 26, 1978 by the metropolitan transit commission, may elect to purchase prior service credit in the Minnesota state retirement system for prior service as an employee of the management firm; not to exceed three years and 11 months of service credit.*

Subd. 2. [PAYMENT FOR PURCHASE OF PRIOR SERVICE.] To purchase the prior service credit, the person described in subdivision 1 shall make a payment equal to four percent of the salary of the person for the period of prior service to be purchased, plus interest at the rate of six percent per annum compounded annually from the date the contributions otherwise would have been made to the date payment is actually made. If the person described in subdivision 1 elects to make the purchase of prior service, the payment of the required amounts shall be made in a lump sum prior to July 1, 1981. The period of allowable service shall be credited to the person only after receipt of the necessary payment by the executive director of the Minne-

sota state retirement system. The person described in subdivision 1 shall supply certified documentation of prior service and the compensation received for that service. The prior service to be purchased shall be the most recent period of prior service.

Subd. 3. [ENTITLEMENT TO ANNUITY.] A person who purchases a period of prior service pursuant to subdivision 2 shall be entitled: (1) to have the period of prior service purchased considered as "allowable service" within the meaning of Minnesota Statutes, Section 352.01, Subdivision 11 and considered as continuous state service within the meaning of section 352.113, subdivision 1; (2) to have the salary for the period of prior service purchased considered as "salary" within the meaning of section 352.01, subdivision 13; and (3) to have the remaining period of prior service as an employee of the management firm in excess of three years and 11 months considered as service in a public employee retirement system in the state of Minnesota having a like provision within the meaning of section 352.72, subdivision 1.

Sec. 59. Minnesota Statutes 1978, Section 475.73, Subdivision 1, is amended to read:

475.73 [STATE BOARD OF INVESTMENT.] Subdivision 1. Obligations sold under the provisions of section 475.60 may be purchased by the State Board of Investment *if the obligations meet the requirements of section 22, subdivision 2*, upon the approval of the Attorney General as to form and execution of the application therefor, and under such rules and regulations as the board may specify, and the State Board of Investment shall have authority to purchase the same to an amount not exceeding 15 percent of the assessed valuation of the taxable property of (SUCH) *the* municipality, according to the last preceding assessment. (SUCH) *The* obligations shall not run for a shorter period than one year, nor for a longer period than 30 years and shall bear interest at a rate to be fixed by the State Board of Investment, but not less than two percent per annum. Forthwith upon the delivery to the state of Minnesota of any obligations issued by virtue thereof, the commissioner of finance shall certify to the respective auditors of the various counties wherein are situated the municipalities issuing the same, the number, denomination, amount, rate of interest and date of maturity of each (SUCH) obligation.

Sec. 60. Minnesota Statutes 1978, Section 490.123, Subdivision 1, is amended to read:

490.123 [JUDGES' RETIREMENT FUND.] Subdivision 1. [CREATION; CONTRIBUTIONS.] There is hereby created a special fund known as the "judges' retirement fund". The fund shall be credited with all contributions, all interest and all other income authorized by law. From this fund there are appropriated the payments authorized by sections 490.121 to 490.132

in the amounts and at times provided herein, including the expenses of administering the fund. Except as provided in section 490.128, subdivision 2, each judge shall contribute to the fund from each salary payment a *sum equal to one-half of one percent of salary, plus a sum equal to the salary multiplied by the rate of employee tax under the Federal Insurance Contributions Act as defined in section 355.01, subdivision 9, but in aggregate not less than seven percent of salary.* The balance of all money necessary for administering sections 490.121 to 490.132 and the judges' retirement fund, including payment of retirement compensation and other benefits under sections 490.121 to 490.132, shall be contributed to the fund by the state. The amount required therefor is hereby annually appropriated from the general fund to the judges' retirement fund.

Sec. 61. Minnesota Statutes 1978, Section 490.124, Subdivision 1, is amended to read:

490.124 [MATURITY OF BENEFITS; RETIREMENT AND SURVIVORS' ANNUITIES.] Subdivision 1. [BASIC RETIREMENT ANNUITY.] Except as qualified hereinafter from and after mandatory retirement date, normal retirement date, early retirement date, or two years from the disability retirement date, as the case may be, a retirement annuity shall be payable to a retiring judge from the judges' retirement fund in an amount equal to: (1) two and one-half percent of the judge's final average compensation multiplied by the number of years and fractions of years of service rendered (,) *prior to July 1, 1980; plus (2) three percent of the judge's final compensation multiplied by the number of years and fractions of years of service rendered after June 30, 1980; provided that such annuity shall not exceed (60) 65 percent of the judge's annual salary for the year immediately preceding his retirement.*

Sec. 62. Laws 1979, Chapter 293, Section 10, Subdivision 1, is amended to read:

Sec. 10. [POST RETIREMENT ADJUSTMENT; LUMP SUM PAYMENTS.] Subdivision 1. [ENTITLEMENT.] Any person (WHO, ON OR BEFORE JULY 1, 1979, HAS ATTAINED THE AGE OF 65 YEARS AND) who is receiving a retirement annuity (FROM), (OR ANY PERSON WHO IS RECEIVING) a disability benefit or a surviving spouse's annuity or benefit from a retirement fund specified in subdivision 4, clauses (1) to (5) which was computed under the laws in effect prior to June 1, 1973, if the person is receiving an annuity or benefit from the retirement fund specified in subdivision 4, clause (4), or prior to July 1, 1973, if the person is receiving an annuity or benefit from a retirement fund specified in subdivision 4, clause (1), (2), (3), or (5), and any person (WHO, ON OR BEFORE JULY 1, 1979, HAS ATTAINED THE AGE OF 65 AND) who is receiving a "\$2 bill and annuity" annuity from the retirement fund specified in subdivision 4, clause (6), shall

be entitled to receive a post retirement adjustment from the applicable retirement fund in the amount specified in subdivision 3.

Sec. 63. Laws 1979, Chapter 293, Section 10, is amended by adding a subdivision to read:

Subd. 6. [TRANSFER OF APPROPRIATION; TERMINAL AUDIT.] From the amounts appropriated and apportioned pursuant to subdivision 5, there is transferred to the commissioner of finance for purposes of redistribution the specified amount from each fund indicated, as follows:

<i>highway patrol retirement fund</i>	<i>\$ 11,971</i>
<i>state employees retirement fund</i>	<i>263,100</i>
<i>public employees retirement fund</i>	<i>238,155</i>
<i>public employees police and fire fund</i>	<i>45,471</i>

From the total amount transferred to the commissioner of finance for redistribution, the commissioner shall transfer the specified amount to each fund indicated as follows:

<i>Minneapolis municipal employees retirement fund</i>	<i>\$ 25,780</i>
<i>teachers retirement fund</i>	<i>173,711</i>

The remaining balance of the appropriation transferred to the commissioner of finance following redistribution shall cancel and shall be returned to the general fund.

Each covered retirement fund as specified in subdivision 4 shall, as soon as is practical following the payment of the December 1, 1980, post retirement adjustment, calculate the amount of any appropriation apportioned to it which is in excess of the amounts required to pay the December 1, 1970, and December 1, 1980, post retirement adjustments and the post retirement adjustments provided for in this act. In addition, the executive secretary of the state board of investment, for covered retirement funds specified in subdivision 4, clauses (1) to (5), and the executive secretary of the Minneapolis municipal employees retirement fund, for that fund, shall calculate the amount which represents for each applicable covered retirement fund the investment income which the fund received on its portion of the appropriation calculated on the basis of the actual annual rate of investment return received on the assets of the retirement fund, the calculations required by this paragraph shall be reported to and verified by the commissioner of finance and amounts equal to these reported excess appropriation and investment income amounts shall be returned to the general fund.

The commissioner of finance is not authorized to adjust or modify any appropriation made pursuant to Laws 1979, Chapter 293, Section 10 or any amounts transferred pursuant to this act except in accordance with this subdivision.

Sec. 64. [RETROACTIVE APPLICATION.] *Any person who was not entitled to receive a lump sum post retirement adjustment on December 1, 1979, pursuant to Laws 1979, Chapter 293, Section 10, solely by virtue of not having attained the age of 65 years on or before July 1, 1979 shall be entitled to receive the lump sum post retirement adjustment which that person would have received on December 1, 1979. The adjustment shall be payable on the first day of the second month following the effective date of this section and may be included with the annuity or benefit payable on that date.*

Sec. 65. [INSTRUCTIONS TO THE REVISOR.] *Subdivision 1. In the next or subsequent edition of Minnesota Statutes, the revisor of statutes shall substitute the term "executive director" for the term "executive secretary" wherever that term appears in reference to the state board of investment the term "executive director" shall substitute the term "Minnesota supplemental retirement investment fund" for the term "Minnesota supplemental retirement fund" wherever that term appears, and shall substitute the term "Minnesota variable annuity investment fund" for the term "Minnesota variable annuity fund" wherever that term appears.*

Subd. 2. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute wherever the amount "four percent interest" appears in reference to the Minneapolis employees retirement fund the amount "six percent interest".

Subd. 3. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute "director" or "executive director" for "secretary" or "executive secretary" in chapter 422A.

Sec. 66. [INSTRUCTION TO REVISOR.] *In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall in each section referred to in column A, strike the reference referred to in column B and insert the reference set forth in column C:*

<i>column A</i>	<i>column B</i>	<i>column C</i>
<i>Minnesota Statutes</i>	<i>Minnesota Statutes</i>	
1978	1978	
<i>Section 3A.11,</i>	<i>Section 11.25</i>	<i>Section 11A.16</i>
<i>Subdivisions</i>		
<i>1 and 2</i>		
<i>Section 60B.25(16)</i>	<i>Chapter 11</i>	<i>Section 11A.22</i>
<i>Section 82.34,</i>	<i>Section 11.16</i>	<i>Section 11A.22</i>
<i>Subdivision 5</i>		
<i>Section 137.022</i>	<i>Section 11.25,</i>	<i>Section 11A.22</i>
	<i>Subdivision 2</i>	
<i>Section 137.022</i>	<i>Section 11.015,</i>	<i>Section 11A.14,</i>
	<i>Subdivision 7</i>	<i>Subdivision 5</i>
<i>Section 137.022</i>	<i>Section 11.16,</i>	<i>Section 11A.10,</i>
	<i>Subdivision 17</i>	<i>Subdivision 2</i>
<i>Section 137.025</i>	<i>Section 11.10</i>	<i>Section 11A.23</i>
<i>Section 161.04,</i>	<i>Chapter 11</i>	<i>Section 11A.19</i>
<i>Subdivision 2</i>		
<i>Section 162.16</i>	<i>Chapter 11</i>	<i>Section 11A.19</i>
<i>Section 198.265</i>	<i>Section 11.17</i>	<i>Section 11A.19</i>
<i>Section 222.59</i>	<i>Section 11.10</i>	<i>Section 11A.23</i>
<i>Section 352.04,</i>	<i>Section 11.25</i>	<i>Section 11A.16</i>
<i>Subdivision 12</i>		
<i>Section 352.061</i>	<i>Section 11.25</i>	<i>Section 11A.16</i>
<i>Section 352.061</i>	<i>Chapter 11</i>	<i>Section 11A.22</i>

<i>column A</i>	<i>column B</i>	<i>column C</i>
<i>Section 352.119,</i> <i>Subdivision 2(2)</i>	<i>Section 11.25,</i> <i>Subdivisions</i> <i>12 and 13</i>	<i>Section 11A.16,</i> <i>Subdivisions</i> <i>15 and 16</i>
<i>Section 352.93,</i> <i>Subdivision 3</i>	<i>Section 11.25</i>	<i>Section 11A.16</i>
<i>Section 352.96,</i> <i>Subdivision 2(a)</i>	<i>Section 11.18</i>	<i>Section 11A.15</i>
<i>Section 352B.26,</i> <i>Subdivision 3(3)</i>	<i>Section 11.25,</i> <i>Subdivisions</i> <i>12 and 13</i>	<i>Section 11A.16,</i> <i>Subdivisions</i> <i>15 and 16</i>
<i>Section 352D.015,</i> <i>Subdivision 3</i>	<i>Sections 11.18 to</i> <i>11.24</i>	<i>Section 11A.15</i>
<i>Section 352D.03</i>	<i>Section 11.18</i>	<i>Section 11A.15</i>
<i>Section 353.06</i>	<i>Section 11.25</i>	<i>Section 11A.16</i>
<i>Section 353.271,</i> <i>Subdivision 2(2)</i>	<i>Section 11.25,</i> <i>Subdivisions</i> <i>12 and 13</i>	<i>Section 11A.16,</i> <i>Subdivisions</i> <i>15 and 16</i>
<i>Section 354.05,</i> <i>Subdivision 23</i>	<i>Section 11.26</i>	<i>Section 11A.17</i>
<i>Section 354.05,</i> <i>Subdivision 26</i>	<i>Section 11.25,</i> <i>Subdivision 12</i>	<i>Section 11A.16,</i> <i>Subdivision 15</i>
<i>Section 354.62,</i> <i>Subdivision 4(3)</i>	<i>Section 11.26,</i> <i>Subdivision 7</i>	<i>Section 11A.17,</i> <i>Subdivision 8</i>
<i>Section 354.63,</i>	<i>Section 11.25,</i>	<i>Section 11A.16,</i>

<i>column A</i>	<i>column B</i>	<i>column C</i>
<i>Subdivision 2(2)</i>	<i>Subdivisions</i>	<i>Subdivisions</i>
	<i>12 and 13</i>	<i>15 and 16</i>
<i>Section 356.39</i>	<i>Section 11.25</i>	<i>Section 11A.16</i>
<i>Section 360.017,</i>	<i>Section 11.01</i>	<i>Section 11A.23</i>
<i>Subdivision 2</i>		
<i>Section 422A.18,</i>	<i>Section 11.25,</i>	<i>Section 11A.16,</i>
<i>Subdivision 2</i>	<i>Subdivision 12</i>	<i>Subdivision 15</i>
<i>Section 422A.23,</i>	<i>Section 11.25,</i>	<i>Section 11A.16,</i>
<i>Subdivision 10</i>	<i>Subdivision 12</i>	<i>Subdivision 15</i>
<i>Section 490.123,</i>	<i>Section 11.25</i>	<i>Section 11A.16</i>
<i>Subdivision 3</i>		
<i>Section 490.123,</i>	<i>Chapter 11</i>	<i>Section 11A.22</i>
<i>Subdivision 3</i>		
<i>Section 525.161</i>	<i>Section 11.08</i>	<i>Section 11A.04</i>
		(8)
<i>Section 525.841</i>	<i>Section 11.08</i>	<i>Sections 11A.04</i>
		(8) and 11A.08,
		<i>Subdivision 2</i>
<i>Minnesota Statutes,</i>	<i>Minnesota Statutes</i>	
<i>1979 Supplement</i>	<i>1978</i>	
<i>Section 299B.17,</i>	<i>Section 11.10</i>	<i>Section 11A.23</i>
<i>Subdivision 7</i>		

Sec. 67. [TEMPORARY PROVISION.] *Portfolio securities held by the state board of investment which met statutory criteria at the time of purchase but which became nonconforming as a result of the passage of this act may be retained.*

Sec. 68. [REPEALER.] *Minnesota Statutes 1978, Sections 11.01; 11.015; 11.04; 11.05; 11.06; 11.08; 11.10; 11.11; 11.115; 11.117, Subdivisions 1, 2, 3, 5, and 7; 11.12; 11.13; 11.14; 11.15; 11.16; 11.17; 11.18; 11.19; 11.20; 11.21; 11.22; 11.23; 11.24; 11.25; 11.26; 11.27; 11.28; 360.303; 458.53; and Minnesota Statutes, 1979 Supplement, Sections 11.117, Subdivisions 4 and 6; 11.118; and 11.145 are repealed. Laws 1979, Chapter 293, Section 10, Subdivision 2, is repealed effective retroactively to July 1, 1979.*

Sec. 69. [EFFECTIVE DATE.] *Sections 29, 35 and 38 are effective July 1, 1980. Sections 39 to 49 are effective July 1, 1980. Sections 60 and 61 are effective July 1, 1980. The balance of this act is effective the day following enactment."*

Delete the title in its entirety and insert:

"A bill for an act relating to state government; recodifying the laws governing the state board of investment; providing for the appointment of an executive director and detailing his duties and powers; defining terms; establishing standards for the investment of state and pension assets; providing standards for investment; exempting certain vocational-technical school teachers from licensing and participation in certain retirement programs; establishing a coordinated retirement plan within the Duluth teachers retirement association; authorizing post retirement increases to retired volunteer firefighters; membership and volunteer firefighters association boards; authorizing separate relief associations in the city of Hibbing; member contributions and retirement annuity under the uniform judicial retirement law; providing a post retirement increase to certain omitted recipients; appropriating money; amending Minnesota Statutes 1978, Sections 69.77, Subdivision 2, as amended; 69.775; 124.46, Subdivision 4; 167.42; 167.50, Subdivision 2; 193.146, Subdivision 4; 352.75, Subdivision 3; 352B.26, Subdivision 3; 353.661, Subdivision 3; 354.05, Subdivision 2, as amended; 462.631, Subdivision 1; 473.417, as amended; 475.73, Subdivision 1; 490.123, Subdivision 1; 490.124, Subdivision 1; Chapter 125, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 1; 43.064; 353.01, Subdivision 2b; and 353.023; 354A.011, Subdivision 11; 354A.-092; 354A.093; 354A.12, Subdivisions 1 and 2; 354A.24; 354A.-32; 354A.39; 354A.41; 424A.02, by adding a subdivision; 424A.-04; and Laws 1979, Chapter 293, Section 10, Subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1978, Sections 11.01 to 11.115; 11.117, Subdivisions 1, 2, 3, 5, and 7; 11.12 to 11.14; 11.5 to 11.28; 360.303; 458.53; and Minnesota Statutes, 1979 Supplement, Sections 11.117, Subdivisions 4 and 6; 11.118; and 11.145; and Laws 1979, Chapter 293, Section 10, Subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1942, A bill for an act relating to public welfare; requiring reporting of abuse or neglect of vulnerable adults; requiring certain facilities to establish abuse prevention plans; establishing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 245.813, by adding a subdivision; and Chapter 626, by adding a section; repealing Minnesota Statutes 1978, Sections 245.813, Subdivisions 2, 3, 4, 5, 6, 7, 8, and 9; and 626.555.

Reported the same back with the following amendments:

Page 9, line 24, delete "7" and insert "4"

Page 12, line 29, in the blank insert "113,000"

Page 13, line 1, delete "*the day following final enactment*" and insert "*January 1, 1981*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 1981, A bill for an act relating to public welfare; directing the commissioner of public welfare to establish and maintain personnel standards on a merit basis for certain employees of county boards, county welfare boards and human services boards; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; amending Minnesota Statutes 1978, Chapter 256, by adding a section; and Section 256D.05, Subdivision 3.

Reported the same back with the following amendments:

Page 1, delete lines 15 to 26

Page 2, delete lines 1 to 33

Page 3, delete lines 1 to 13

Page 4, delete lines 11 to 14

Page 4, line 15, delete "*Sections 1, 2, and 3 are*" and insert "*This act is*"

Renumber the remaining sections

Further, amend the title as follows:

Page 1, line 2, delete "directing the"

Page 1, delete lines 3 to 5

Page 1, line 6, delete "boards and human services boards;"

Page 1, lines 10 to 11, delete "Chapter 256, by adding a section; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2035, A bill for an act relating to historic sites and monuments; adding property to Split Rock Lighthouse historic site; reestablishing Traverse des Sioux historic site as a state monument; appropriating funds; amending Minnesota Statutes 1978, Sections 138.025, Subdivision 10; and 138.535, by adding a subdivision; repealing Minnesota Statutes 1978, Section 138.55, Subdivision 5.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2046, A bill for an act establishing the Minnesota small business conference; providing for its organization, meetings and procedures; appropriating money.

Reported the same back with the following amendments:

Page 2, line 14, delete "\$100,000" and insert "\$10,000"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2100, A bill for an act relating to housing; providing the housing finance agency with authority to make grants and loans to certain sponsors of housing used for temporary shelter; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 11, delete "\$1,000,000" and insert "\$100,000"

Page 2, delete lines 16 to 18

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

H. F. No. 2149, A bill for an act relating to public welfare; clarifying duties of the commissioner of public welfare regarding approval of public and private mental health centers and clinics for certain purposes; providing for additional rule-making; amending Minnesota Statutes, 1979 Supplement, Section 245.69.

Reported the same back with the following amendments:

Page 2, line 26, delete "has the authority to" and insert "shall"

Page 2, lines 27 and 28, delete ", and may amend, suspend or repeal the rules,"

Page 2, line 31, after "rules" insert "and this subdivision"

Page 2, delete lines 32 and 33 and insert "commissioner may contract with any"

Page 3, after line 4, insert clauses to read:

"(a) Each approved mental health center and each approved mental health clinic shall have a multidisciplinary team of professional staff persons as required by rule. A mental health center or mental health clinic may provide the staffing required by rule by means of written contracts with professional persons or with other health care providers. Any personnel qualifications developed by rule shall be consistent with any personnel standards developed pursuant to chapter 214.

(b) Each approved mental health clinic and each approved mental health center shall establish a written treatment plan

for each outpatient for whom services are reimbursable through insurance or public assistance. The treatment plan shall be developed in accordance with the rules and shall include a patient history, treatment goals, a statement of diagnosis and a treatment strategy. The clinic or center shall provide access to hospital admission as a bed patient as needed by any outpatient. The clinic or center shall ensure ongoing consultation among and availability of all members of the multidisciplinary team.

(c) As part of the required consultation, members of the multidisciplinary team shall meet at least twice monthly to conduct case reviews, peer consultations, treatment plan development and in-depth case discussion. Written minutes of these meetings shall be kept at the clinic or center for three years.

(d) Each approved center or clinic shall establish mechanisms for quality assurance and submit documentation concerning the mechanisms to the commissioner as required by rule, including:

- (1) Continuing education of each professional staff person;
- (2) An ongoing internal utilization and peer review plan and procedures;
- (3) Mechanisms of staff supervision; and
- (4) Procedures for review by the commissioner or his delegate.

(e) The commissioner shall disapprove an applicant, or withdraw approval of a clinic or center, which the commissioner finds does not comply with the requirements of the rules or this subdivision. A clinic or center which is disapproved or whose approval is withdrawn is entitled to a contested case hearing and judicial review pursuant to sections 15.0411 to 15.052.

(f) Data on individuals collected by approved clinics and centers, including written minutes of team meetings, is private data on individuals within the welfare system as provided in sections 15.1611 to 15.1698.

(g) Each center or clinic that is approved and in compliance with the commissioner's existing rule on the effective date of this section is approved for purposes of section 62A.152, subdivision 2, until rules are promulgated to implement section 1."

Page 3, after line 4, add a section to read:

"Sec. 2. [APPROPRIATIONS.] The sum of \$50,000 is appropriated from the general fund to the commissioner of

public welfare for purposes of this act. The commissioner of finance shall not permit the allotment, encumbrance, or expenditure of this appropriation in excess of the anticipated biennial revenues generated pursuant to subdivision 2 of section 1. This appropriation is available until June 30, 1981."

Page 3, delete lines 5 and 6

Further, amend the title as follows:

Page 1, line 6, before the semi-colon insert "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

S. F. No. 210, A bill for an act relating to education; providing and regulating certain mobility incentives for certain teachers in the community colleges and state universities; amending Minnesota Statutes 1978, Sections 354.094, Subdivisions 1, 2 and 5; 354.66, Subdivisions 1, 7, 9 and 10, and by adding subdivisions; 354.69; Minnesota Statutes, 1979 Supplement, Sections 354.094, Subdivision 3; and 354.66, Subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [136.88] [EXTENDED LEAVES OF ABSENCE.] *Subdivision 1. As used in this section, the terms defined in this subdivision have the meanings given them.*

(a) "Board" means the state board for community colleges and the state university board.

(b) "Teacher" means a person on the instructional or administrative staff of the community college or state university system who is a member of the teachers retirement association. It shall not include a chancellor or vice-chancellor.

Subd. 2. A board may grant an extended leave of absence without salary to a full time teacher who has been employed by the board for at least five years and has at least ten years of allowable service as defined in section 354.05, subdivision 13. The maximum duration of an extended leave of absence pursuant to this section shall be determined by mutual agreement of the board and the teacher at the time the leave is granted and shall be at least three but no more than five years. An

extended leave of absence pursuant to this section shall be taken by mutual consent of the board and the teacher. No teacher may receive more than one leave of absence pursuant to this section.

Subd. 3. A board which denies a request for an extended leave of absence pursuant to this section shall record the denial and the reasons therefor. Prior to February 1, 1980, and each year thereafter by the same date, a board shall file a written report with the education committees of the legislature on any denials recorded pursuant to this subdivision.

Subd. 4. A teacher on an extended leave of absence pursuant to this section shall have the right to be reinstated to the same position or a similar position within the department or program from which the leave was granted at the beginning of the school year which immediately follows a year of extended leave of absence, unless the teacher is discharged or placed on retrenchment or on lay-off or his contract is terminated while he is on the extended leave. A board shall not be obligated to reinstate a teacher who is on an extended leave of absence pursuant to this section unless the teacher advises the board of his intention to return before February 1 in the school year preceding the school year in which he wishes to return.

Subd. 5. A teacher who is reinstated to the same or similar position after an extended leave pursuant to this section shall not lose tenure or credit for previous seniority in the employing community college or state university. A teacher shall not accrue seniority credit during the time of a leave of absence pursuant to this section.

Subd. 6. The years spent by a teacher on an extended leave of absence pursuant to this section shall not be included in the determination of his salary upon his reinstatement to the same or similar position by the board which granted the leave. The credits earned by a teacher on an extended leave of absence pursuant to this section shall not be included in the determination of his salary upon his reinstatement to the same or similar position by the board which granted the leave for a period of time equal to the time of the extended leave of absence.

Subd. 7. Nothing within the provisions of this section shall be construed to limit the authority of a board to grant a teacher a leave of absence which is not subject to the provisions of this section and section 354.094.

Subd. 8. A board shall not grant extended leaves of absence pursuant to this section beyond the limits of the appropriation to that board for the purposes of section 354.094.

Sec. 2. Minnesota Statutes 1978, Section 354.094, Subdivision 1, is amended to read:

354.094 [EXTENDED LEAVES OF ABSENCE.] Subdivision 1. If a member is granted an extended leave of absence pursuant to section 125.60 or section 1, he may receive allowable service credit toward annuities and other benefits under this chapter, for each year of his leave by paying into the fund employee contributions during the period of the leave which shall not exceed five years. The state shall pay employer contributions into the fund for each year for which a member who is on extended leave pays employee contributions into the fund. The employee and employer contributions shall be based upon the rates of contribution prescribed by section 354.42 for the salary received during the year immediately preceding the extended leave. Payments for the years for which a member is receiving service credit while on extended leave shall be made on or before June 30 of each fiscal year for which service credit is received.

Sec. 3. Minnesota Statutes 1978, Section 354.094, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding section 354.49, subdivision 4, clause (3), a member on extended leave who pays employee contributions into the fund pursuant to subdivision 1 shall retain membership in the association for as long as he continues to pay employee contributions, under the same terms and conditions as if he had continued to teach in the district, *the community college system or the state university system.*

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 354.094, Subdivision 3, is amended to read:

Subd. 3. A member on extended leave of absence pursuant to section 125.60 or section 1 who does not pay employee contributions into the fund in any year shall be deemed to cease to render teaching services beginning in that year for purposes of this chapter and may not pay employee contributions into the fund in any subsequent year of the leave. Nonpayment of employee contributions into the fund shall not affect the rights or obligations of the (TEACHER) *member* or his (EMPLOYING SCHOOL DISTRICT) *employer* under section 125.60.

Sec. 5. Minnesota Statutes 1978, Section 354.094, Subdivision 5, is amended to read:

Subd. 5. The provisions of this section shall not apply to a member who is *discharged or placed on unrequested leave of absence or retrenchment or lay-off* or whose contract is terminated (PURSUANT TO SECTION 125.12 OR 125.17) while he is on an extended leave of absence pursuant to section 125.60 or section 1.

Sec. 6. Minnesota Statutes 1978, Section 354.66, Subdivision 1, is amended to read:

354.66 [QUALIFIED PART TIME TEACHERS; PARTICIPATION IN FUND.] Subdivision 1. As used in this section, the term "teachers" shall have the meaning given it in section 125.03, subdivision 1, but shall not include superintendents. *It shall also have the meaning given it in section 1, subdivision 1.*

Sec. 7. Minnesota Statutes 1978, Section 354.66, is amended by adding a subdivision to read:

Subd. 1a. For purposes of this section, "board" means a school district board, the state board for community colleges and the state university board.

Sec. 8. Minnesota Statutes 1978, Section 354.66, is amended by adding a subdivision to read:

Subd. 1b. For purposes of this section, "district" means a school district, the community college system and the state university system.

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 354.66, Subdivision 2, is amended to read:

Subd. 2. A teacher in the public elementary, secondary or area vocational-technical schools, *in the community college system or the state university system* of the state who has 20 years or more of allowable service or 20 years or more of full time teaching service in Minnesota public elementary, secondary and area vocational-technical schools may, by agreement with the board of the employing district, be assigned to teaching service within the district in a part time teaching position.

Sec. 10. Minnesota Statutes 1978, Section 354.66, Subdivision 6, is amended to read:

Subd. 6. A board entering into an agreement authorized by this section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section. *Notwithstanding the provisions of section 43.47, subdivision 16, a teacher as defined in section 1 employed on a less than 75 percent time basis pursuant to this section shall be eligible for state paid insurance benefits as if the teacher were employed full-time.*

Sec. 11. Minnesota Statutes 1978, Section 354.66, Subdivision 7, is amended to read:

Subd. 7. Only teachers who are (IN THE BARGAINING UNIT) *public employees* as defined in section 179.63, subdivision (17) 7, during the *school year* preceding the period of part time employment pursuant to this section shall qualify for the

continuation of contributions and accrual of service credit pursuant to subdivision 4. Notwithstanding the provisions of section 179.63, subdivision 7, clauses (e) and (f), teachers who are employed on a part time basis for purposes of this section and who would therefore be disqualified from the bargaining unit by one or both of those provisions, shall continue to be in the bargaining unit during the period of part time employment pursuant to this section for purposes of compensation, fringe benefits and the grievance procedure.

Sec. 12. Minnesota Statutes 1978, Section 354.66, Subdivision 9, is amended to read:

Subd. 9. A *school* district shall not assign a teacher to a part time teaching position qualifying for the continuation of contributions and accrual of service credit pursuant to this section without applying for and receiving the authorization of the commissioner of education. In cooperation with the boards of trustees of the appropriate retirement fund associations and within the limits of the amount appropriated for the purpose of this section, the commissioner of education shall approve or disapprove applications from *school* districts for authorization to assign teachers to part time teaching positions qualifying for the continuation of contributions and accrual for service credit pursuant to this section. *The state board for community colleges and the state university board may within the limits appropriated to them for purposes of this section assign a teacher to a part time teaching position qualifying for the continuation of contributions and accrual of service credit pursuant to this section without applying for and receiving the authorization of the commissioner of education.*

Sec. 13. Minnesota Statutes 1978, Section 354.66, Subdivision 10, is amended to read:

Subd. 10. Nothing within the provisions of this section shall be construed to limit the authority of a (SCHOOL) board to assign a teacher to a part time teaching position which does not qualify for the continuation of contributions and accrual of service credit pursuant to this section.

Sec. 14. Minnesota Statutes 1978, Section 354.69, is amended to read:

354.69 [INFORMATION SUPPLIED BY DISTRICT.] Each school district *and the community college and state university systems* shall furnish to the appropriate retirement fund association all information and reports deemed necessary by the appropriate board of trustees to administer the provisions of Laws 1977, Chapter 447, Article 9.

Sec. 15. [RURAL HEALTH CO-OPS.] *\$25,000 is appropriated from the general fund to the regents of the University*

of Minnesota for use in its health science outreach program by awarding grants for the improvement of health services to rural communities by the development of 2 new rural health cooperatives in rural Minnesota. "Rural health cooperative" means a nonprofit corporation organized under Minnesota law on a membership basis, and controlled by nonprofit or governmental hospitals located outside of cities of the first class, which exists for the purpose of fostering the availability of higher quality health services in rural Minnesota. This appropriation, plus the funds made available by the university shall be used for necessary staff, travel, and any other related and necessary costs. Any balance remaining on June 30, 1980 shall not cancel but shall be available in the following fiscal year. A progress report shall be submitted to the legislature by March 1, 1981.

Sec. 16. [EFFECTIVE DATE.] *This act is effective the day following final enactment."*

Further, amend the title by deleting it in its entirety and insert the following:

"A bill for an act relating to education; providing and regulating certain mobility incentives for certain teachers in the community colleges and state universities; assisting with the development of additional rural health cooperatives; amending Minnesota Statutes 1978, Sections 354.094, Subdivisions 1, 2, and 5; 354.66, Subdivisions 1, 6, 7, 9 and 10, and by adding subdivisions; 354.69; Minnesota Statutes, 1979 Supplement, Sections 354.094, Subdivision 3; and 354.66, Subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

S. F. No. 480, A bill for an act relating to public health; authorizing the funding of a statewide poison information center; giving grant and program monitoring responsibilities to the commissioner of health; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [STATE POISON INFORMATION CENTER; ESTABLISHMENT.] Subdivision 1. [PURPOSE.] The legislature finds that the needs of citizens of the state for information relating to the prompt identification and appropriate home management or referral of cases of human poisoning are best served by establishing a single poison information center,

organized to provide statewide information and education services to the public and to health professionals.

Subd. 2. [ADVISORY COUNCIL.] The commissioner of health shall appoint an advisory council consisting of, but not limited to, the following: one nurse; one pharmacist; one physician each from the fields of toxicology, pediatric medicine, emergency medicine, and internal medicine; and one person who has no past or present material financial interest or professional involvement in the provision of poison information or treatment services. No more than three members may be residents of the metropolitan area, as defined in Minnesota Statutes, Section 473.02, Subdivision 5; no more than one may be a resident of any single county; and none may be affiliated in any way with the currently designated poison information center.

Subd. 3. [GRANT AWARD; DESIGNATION; PAYMENTS UNDER GRANT.] Each year the commissioner shall give reasonable public notice of the availability of moneys appropriated pursuant to section 2. After consulting with the advisory council, the commissioner shall select as grantee a nonprofit corporation or unit of government that applies for the money and best fulfills the criteria specified in subdivision 4. The grantee selected shall be designated the Minnesota Poison Information Center. Moneys appropriated under section 2 shall be paid to the grantee quarterly beginning on July 1 of each year.

Subd. 4. [SELECTION CRITERIA.] In selecting a grantee under this section, the commissioner of health shall determine which applicant, if any, best fulfills the following criteria:

(a) Whether the applicant can demonstrate the ability to provide appropriate and adequate telephone poison information services to the general public and to health professionals 24 hours a day at no direct cost to users and in a manner that appropriately utilizes 911 emergency telephone services developed pursuant to Minnesota Statutes, Chapter 403;

(b) Whether the applicant can demonstrate the ability to provide adequate medical direction as well as the toxicological and related professional and technical resources needed for poison information services;

(c) Whether the applicant can demonstrate the ability to provide appropriate public education and professional education services; and

(d) Whether the applicant can demonstrate the ability to provide poison information services in a financially sound and cost effective manner.

Subd. 5. [INTERSTATE AGREEMENTS.] The grantee may enter into agreements with comparable entities in other

states to share data and technical resources. Agreements shall be in writing and shall be subject to the prior approval of the commissioner of health. The commissioner may approve such contracts only if they will provide for better public access to cost effective poison information services.

Subd. 6. [REPORTS; MONITORING; TERMINATION.] The grantee selected shall report quarterly to the commissioner of health, on a form provided by the commissioner, information about programmatic and fiscal performance and status. All relevant records and the performance of the grantee shall be monitored by the commissioner for purposes of assuring that the grantee continues to fulfill the criteria specified in subdivision 3. Should the commissioner at any time find that a grantee is not continuing to fulfill the criteria specified in subdivision 3, he may terminate the grant upon 30 days notice.

Sec. 2. [APPROPRIATION.] There is appropriated to the commissioner of health from the general fund the sum of \$125,000, or so much thereof as may be required for the purposes of section 1. This appropriation shall be expended only if federal general revenue sharing is received in the approximate amount of \$34,000,000 in the federal fiscal year 1981."

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

S. F. No. 702, A bill for an act relating to health; requiring counties to establish local nursing home pre-admission screening teams; prescribing duties of the teams and the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Chapter 256B, by adding a section.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Chapter 256B, is amended by adding a section to read:

[256B.091] [NURSING HOME PRE-ADMISSION SCREENING; PILOT PROGRAM.] *Subdivision 1. [PURPOSE.] It is the purpose of this section to study how to prevent inappropriate nursing home placement by establishing a pilot program of pre-admission screening teams for all medical assistance recipients and any individual who would become eligible for medical assistance within 90 days of admission to a licensed nursing home participating in the pilot program. Further, it is*

the purpose of this section and the pilot program to gain further information about how to contain costs associated with inappropriate nursing home admissions.

Subd. 2. [SCREENING TEAMS; ESTABLISHMENT.] Each county agency designated by the commissioner of public welfare to participate in the pilot program shall contract with the local board of health organized under Minnesota Statutes, Section 145.911 to 145.922 or other public or non-profit agency to establish a screening team to assess, prior to admission to a nursing home licensed under section 144A.02, the health and social needs of medical assistance recipients and individuals who would become eligible for medical assistance within 90 days of nursing home admission. Each local screening team shall be composed of a staff member from the local public health nursing service and a social worker from the local community welfare agency. Each screening team shall have a physician available for consultation and shall utilize individuals' attending physicians' physical assessment forms, if any, in assessing needs. The individual's physician shall be included on the screening team if the physician chooses to participate. Other personnel as deemed appropriate by the county agency may be included on the team such as physical therapists or psychologists. No member of a screening team shall have a direct or indirect financial or self-serving interest in a nursing home or non-institutional referral such that it would not be possible for the member to consider each case objectively.

Subd. 3. [SCREENING TEAM; DUTIES.] Local screening teams shall seek cooperation from other public and private agencies in the community which offer services to the disabled and elderly. The responsibilities of the agency responsible for screening shall include:

(a) Provision of information and education to the general public regarding availability of the screening program;

(b) Acceptance of referrals from individuals, families, human service professionals and nursing home personnel of the community agencies;

(c) Assessment of health and social needs of referred individuals and identification of services needed to maintain these persons in the least restrictive environments;

(d) Identification of available noninstitutional services to meet the needs of individuals referred;

(e) Recommendations for individual screened regarding:

(1) Nursing home admission; and

(2) Maintenance in the community with specific service plans and referrals and designation of a lead agency to implement each individual's plan of care;

(f) Provision of follow up services as needed; and

(g) Preparation of reports which may be required by the commissioner of public welfare.

Subd. 4. [SCREENING OF PERSONS.] Prior to nursing home admission, screening teams shall assess the needs of all persons receiving medical assistance and of all persons who would be eligible for medical assistance within 90 days of admission to a nursing home, except patients from acute care facilities or transfers from other nursing homes. Any other interested person may be assessed by a screening team upon payment of a fee based upon a sliding fee scale.

Subd. 5. [APPEALS.] Appeals from the screening team's determination shall be made pursuant to the procedures set forth in Minnesota Statutes, Section 256.045, Subdivisions 2 and 3. An appeal shall be automatic if the individual's physician does not agree with the recommendation of the screening team.

Subd. 6. [TEAM REIMBURSEMENT.] The commissioner of public welfare shall amend the Minnesota medical assistance plan to include reimbursement for the local screening teams. Reimbursement shall not be provided for any recipient placed in a nursing home in opposition to the screening team's recommendation; provided, however, the commissioner shall not deny reimbursement for (1) an individual admitted to a nursing home who is assessed to need long-term supportive services if long-term supportive services other than nursing home care are not available in that community; or (2) any eligible individual placed in the nursing home pending an appeal of the preadmission screening team's decision; or (3) any eligible individual placed in the nursing home by a physician in an emergency situation and where the screening team has not made a decision within five working days of its initial contract.

Subd. 7. [REPORT.] The commissioner of public welfare, in consultation with the commissioner of health, shall evaluate the screening program established pursuant to this section and provide a report to the legislature by January 1, 1981, which shall include a description of:

(a) The cost effectiveness of the program;

(b) The unmet needs in the community;

(c) Methods to improve the program.

Sec. 2. [APPROPRIATION.] *For the biennium ending June 30, 1981, there is appropriated from the general fund to the department of public welfare the sum of \$48,000 for the purposes of section 1.*"

Further amend the title to read as follows:

Page 1, line 2, after the semicolon, delete the balance of the line

Page 1, delete lines 3 to 5 and insert

"providing for a pilot program for nursing home pre-admission screening;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

S. F. No. 1141, A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory committees; establishing a statewide interpreter referral service; providing for a program of training and employment; prescribing duties for the commissioner of public welfare; establishing an office on hearing impairment; providing for an advisory committee for the state council for the handicapped; prescribing duties for the department of health; providing for a study by the state planning agency; appropriating money.

Reported the same back with the following amendments:

Page 1, line 15, delete "11" and insert "7"

Page 1, line 25, delete "10" and insert "7"

Page 2, delete lines 14 to 20

Page 2, line 27, after the period insert "The center shall maintain a current registry of those persons having or suspected of having a hearing impairment who live in that region. A special task of the registry is to assure that referrals and follow-up services are completed with respect to persons in the register."

Page 4, line 20, delete "staff of county welfare"

Page 4, delete line 21

Page 4, line 22, delete "boards" and insert "social service or income maintenance staff employed by counties or by organizations with whom counties contract for services"

Page 5, line 2, after the period insert "The commissioner of health shall establish standards for screening for hearing impairments with special emphasis on screening of persons from birth through school age and persons over age 65."

Page 5, delete lines 3 to 33

Page 6, delete lines 1 to 14

Page 6, line 16, delete "\$1,006,500" and insert "\$302,000"

Page 6, line 18, after the period insert "This appropriation shall be expended only if federal general revenue sharing is received in the approximate amount of \$34,000,000 in the federal fiscal year 1981. The state planning agency shall monitor the implementation and effectiveness of sections 1 to 7 and report its findings to the legislature by January 1, 1982."

Page 6, line 20, delete "\$498,500" and insert "\$166,000"

Page 6, line 22, delete "1980-14"

Page 6, line 22, delete "22" and insert "8"

Page 6, line 24, delete "\$330,400" and insert "\$136,000"

Page 6, line 26, delete "1980-6"

Page 6, line 26, delete "10" and insert "6"

Page 6, delete lines 27 to 33

Page 7, delete line 1

Renumber sections in sequence and correct all internal cross reference as may be required by this report

Further, amend the title as follows:

Page 1, line 7, delete "establishing an"

Page 1, delete lines 8 and 9

Page 1, delete lines 10 to 11

Page 1, line 12, delete "planning agency;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on General Legislation and Veterans Affairs to which was referred:

S. F. No. 1605, A bill for an act relating to elections; providing for a place on tax forms to indicate a desire not to allocate state money to finance election campaigns; amending Minnesota Statutes 1978, Section 10A.31, Subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Voss from the Committee on Appropriations to which was referred:

S. F. No. 2134, A bill for an act relating to natural resources; providing for analysis of hydroelectric generating capacity of publicly owned dams; clarifying provisions relating to the administration of and authorization for dam repair and reconstruction grants; authorizing the employment of a person to administer grants; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 1 and 4; Minnesota Statutes, 1979 Supplement, Section 105.482, Subdivisions 3 and 5a; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5.

Reported the same back with the following amendments:

Page 4, delete lines 20 to 33

Page 5, delete lines 1 to 9

Page 5, line 27, delete "7" and insert "5"

Renumber remaining sections

Further amend the title as follows:

Line 8, delete "appropriating money;"

Line 10, after the semicolon, insert "and"

Line 12, delete everything after "5a" and insert a period

Delete line 13

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 160, 729, 902, 1138, 1201, 1603, 1813, 1842, 1847, 1942, 1981, 2035, 2046, 2100 and 2149 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 210, 480, 702, 1141, 1605 and 2134 were read for the second time.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned.

H. F. No. 1824, A bill for an act relating to driver's licenses; providing for the disposition of the county fee in Dakota County.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1896, A bill for an act relating to juveniles; establishing criteria for reference of certain juveniles for prosecution; requiring written findings and conclusions after reference hearings; providing monitoring by the crime control planning board; amending Minnesota Statutes 1978, Section 260.125, by adding subdivisions.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kelly moved that the House refuse to concur in the Senate amendments to H. F. No. 1896, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

MOTIONS AND RESOLUTIONS

Long moved that her name be stricken as an author on H. F. No. 2272. The motion prevailed.

Anderson, G., moved that his name be stricken as an author on H. F. No. 2045. The motion prevailed.

Weaver moved that H. F. No. 2321 be returned to its author. The motion prevailed.

Rose moved that H. F. No. 1701 be returned to its author. The question was not taken on the Rose motion.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 10:00 a.m., Thursday, March 27, 1980. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1896:

Kelly, Vanasek, Crandall, Novak, and Jennings.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Thursday, March 27, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

EIGHTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 27, 1980

The House of Representatives convened at 10:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Eken	Kalis	Norman	Sieben, H.
Adams	Elioff	Kelly	Novak	Sieben, M.
Ainley	Ellingson	Kempe	Nysether	Simoneau
Albrecht	Erickson	Knickerbocker	Olsen	Stadum
Anderson, B.	Esau	Kostohryz	Onnen	Stoa
Anderson, D.	Evans	Kroening	Osthoff	Stowell
Anderson, G.	Ewald	Kvam	Otis	Sviggum
Anderson, I.	Faricy	Laidig	Patton	Swanson
Anderson, R.	Fjoslien	Lehto	Pehler	Thiede
Battaglia	Forsythe	Levi	Peterson, B.	Tomlinson
Begich	Fritz	Long	Peterson, D.	Valan
Berglin	Fudro	Ludeman	Piepho	Valento
Berkelman	Greenfield	Luknic	Pleasant	Vanasek
Blatz	Halberg	Mann	Prahl	Voss
Brinkman	Haukoos	McCarron	Redalen	Waldorf
Byrne	Heap	McDonald	Reding	Weaver
Carlson, D.	Heinitz	McEachern	Rees	Welch
Carlson, L.	Hoberg	Mehrkens	Reif	Welker
Casserly	Hokanson	Metzen	Rice	Wenzel
Clark	Jacobs	Minne	Rodriguez	Wieser
Clawson	Jaros	Moe	Rose	Wigley
Corbid	Jennings	Munger	Rothenberg	Wynia
Crandall	Johnson, C.	Murphy	Sarna	Zubay
Dean	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Jude	Nelsen, M.	Searle	
Den Ouden	Kahn	Nelson	Searles	
Drew	Kaley	Niehaus	Sherwood	

A quorum was present.

Biersdorf and Friedrich were excused until 11:20 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 2023, 2035, 1138, 2149, 1813, 2046, 2100, 729, 1842, 1981, 902, 1847, 1942, 160, 1201, 1603 and 2023 and S. F. Nos. 210, 1141, 702, 480 and 2134 have been placed in the members' files.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Berglin introduced:

H. F. No. 2482, A resolution memorializing the Congress and President of the United States to continue and increase the funding of the food stamp program.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Clark, Nelson, Schreiber, Ainley and Voss introduced:

H. F. No. 2483, A bill for an act relating to taxation; providing for taxation of certain hydroelectric property; amending Minnesota Statutes 1978, Sections 272.01, Subdivision 3; and 273.19, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Drew and Heap introduced:

H. F. No. 2484, A bill for an act relating to elections; making certain changes in the form of certain ballots and ballot labels; clarifying certain ballot preparation procedures; amending Minnesota Statutes 1978, Sections 203A.11, Subdivision 1; 203A.12, Subdivision 2; 206.07, Subdivision 1; 206.09; and Chapter 206, by adding a section.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Jennings, Haukoos and Welker introduced:

H. F. No. 2485, A bill for an act relating to public employees; providing for the negotiation and arbitration of collective bargaining agreements between the exclusive representatives and employers of teachers; establishing the conditions under which teachers have a right to strike; extending the applicability of certain sections of PELRA; amending Minnesota Statutes 1978, Sections 179.61; 179.62; 179.63, Subdivisions 1 and 4; 179.64, Subdivision 1; 179.65, Subdivision 1; 179.66, Subdivisions 5, 6 and 9; 179.67, Subdivision 1; 179.68; 179.71, Subdivisions 2, 4 and 5; and 179.74, Subdivision 2; and Chapter 179, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 179.64, Subdivision 7; 179.65, Subdivision 6; and 179.74, Subdivision 4.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2476, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivision 1; 16.854, Subdivision 1; 16A.131, by adding a subdivision; 16A.67, Subdivision 1; 16A.721; 43.005, by adding a subdivision; 43.05, Subdivision 2; 43.062, Subdivisions 1, 2 and 3; 43.065; 43.067, Subdivision 2; 43.068; 43.323, Subdivisions 1 and 2; 43.35; 62D, by adding a subdivision; 82.34; 90.195; 94.10, Subdivision 1; 94.16; 121.90; 121.902, Subdivision 1; 121.906, Subdivision 2; 121.908; 121.912, Subdivision 2; 121.914, Subdivision 1; 136.81, Subdivision 1; 145.913, Subdivision 3; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62, Subdivisions 2 and 3; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 246.014; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 403.11, Subdivi-

sion 3; 473.408, Subdivision 3; 490.123, Subdivision 1; and Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 121, by adding sections; 216A, by adding a section; 246, by adding a section; 253A, by adding a section; 256, by adding a section; 259, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.3005, Subdivision 4; 15A.083, Subdivision 4; 16A.126; 174.28, Subdivision 2; 43.09, Subdivision 2a; 43.24; 82.81, Subdivision 1; 121.917, Subdivision 4; 354A.12, Subdivision 2; 422A.101, Subdivision 3; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5; 301, Section 3 by adding a subdivision; repealing Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 121.92, Subdivision 1; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.93; 16.965; 121.92, Subdivision 2; and Laws 1979, Chapter 217, Section 11.

PATRICK E. FLAHAVEN, Secretary of the Senate

Voss moved that the House refuse to concur in the Senate amendments to H. F. No. 2476, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1978.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF THE SENATE BILLS

S. F. No. 1978: A bill for an act relating to veterans; authorizing a memorial to Minnesota's war dead in Arlington National Cemetery; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bills: S. F. Nos. 129, 410 and 768.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Voss requested immediate consideration of S. F. No. 1962; H. F. Nos. 1813 and 1981; S. F. No. 2134; H. F. Nos. 160, 1138, and 2035; S. F. No. 210; H. F. No. 2149; S. F. No. 702; H. F. No. 2100; S. F. No. 480 and H. F. Nos. 902, 1603, 1942 and 1847.

S. F. No. 1962 was reported to the House.

Pehler moved to amend S. F. No. 1962 as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 1a. [DEFINITIONS.] For the purposes of sections 116D.01 to 116D.07, the following terms have the meanings given to them in this subdivision.

(a) "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

(b) "Pollution, impairment or destruction" has the meaning given it in section 116B.02, subdivision 5.

(c) "Environmental assessment worksheet" means a brief document which is designed to set out the basic facts necessary to determine whether an environmental impact statement is required for a proposed action.

(d) "Governmental action" means activities, including projects wholly or partially conducted, permitted, assisted, financed, regulated or approved by units of government including the federal government.

(e) "Governmental unit" means any state agency and any general or special purpose unit of government in the state including, but not limited to, watershed districts organized under chapter 112, counties, towns, cities, port authorities and housing authorities, but not including courts, school districts and regional development commissions other than the metropolitan council.

Sec. 2. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 2a. Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact

statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section.

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30 day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chairman may extend the 15 day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 25 individuals, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chairman of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chairman may extend the 15 day period by not more than 15 additional days upon request of the responsible governmental unit.

(d) The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(e) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(f) Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.

(g) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.

Sec. 3. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 3a. Within 90 days after final approval of an environmental impact statement, final decisions shall be made by the appropriate governmental units on those permits which were identified as required and for which information was developed concurrently with the preparation of the environmental impact statement. Provided, however, that the 90 day period may be extended where a longer period is required by federal law or state statute or is consented to by the permit applicant. The permit decision shall include the reasons for the decision, in-

cluding any conditions under which the permit is issued, together with a final order granting or denying the permit.

Sec. 4. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 4a. The board shall by rule identify alternative forms of environmental review which will address the same issues and utilize similar procedures as an environmental impact statement in a more timely or more efficient manner to be utilized in lieu of an environmental impact statement.

Sec. 5. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 5a. The board shall, by January 1, 1981, promulgate rules in conformity with this chapter and the provisions of chapter 15, establishing:

(a) The governmental unit which shall be responsible for environmental review of a proposed action;

(b) The form and content of environmental assessment worksheets;

(c) A scoping process in conformance with subdivision 2a, clause (e);

(d) A procedure for identifying during the scoping process the permits necessary for a proposed action and a process for coordinating review of appropriate permits with the preparation of the environmental impact statement;

(e) A standard format for environmental impact statements;

(f) Standards for determining the alternatives to be discussed in an environmental impact statement;

(g) Alternative forms of environmental review which are acceptable pursuant to subdivision 4a;

(h) A model ordinance which may be adopted and implemented by local governmental units in lieu of the environmental impact statement process required by this section, providing for an alternative form of environmental review where an action does not require a state agency permit and is consistent with an applicable comprehensive plan. The model ordinance shall provide for adequate consideration of appropriate alternatives, and shall ensure that decisions are made in accordance with the policies and purposes of this act;

(i) *Procedures to reduce paperwork and delay through intergovernmental cooperation and the elimination of unnecessary duplication of environmental reviews;*

(j) *Procedures for expediting the selection of consultants by the governmental unit responsible for the preparation of an environmental impact statement; and*

(k) *Any additional rules which are reasonably necessary to carry out the requirements of this section.*

Sec. 6. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 6a. Prior to the preparation of a final environmental impact statement, the governmental unit responsible for the statement shall consult with and request the comments of every governmental office which has jurisdiction by law or special expertise with respect to any environmental effect involved. Copies of the drafts of such statements and the comments and views of the appropriate offices shall be made available to the public. The final detailed environmental impact statement and the comments received thereon shall precede final decisions on the proposed action and shall accompany the proposal through an administrative review process.

Sec. 7. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 10. Decisions on the need for an environmental assessment worksheet, the need for an environmental impact statement and the adequacy of an environmental impact statement may be reviewed by a declaratory judgment action in the district court of the county wherein the proposed action, or any part thereof, would be undertaken. Judicial review under this section shall be initiated within 30 days after the governmental unit makes the decision, and a bond may be required under section 562.02 unless at the time of hearing on the application for the bond the plaintiff has shown that the claim has sufficient possibility of success on the merits to sustain the burden required for the issuance of a temporary restraining order. Nothing in this section shall be construed to alter the requirements for a temporary restraining order or a preliminary injunction pursuant to the Minnesota Rules of Civil Procedure for District Courts. The board may initiate judicial review of decisions referred to herein and may intervene as of right in any proceeding brought under this subdivision.

Sec. 8. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 11. If the board or governmental unit which is required to act within a time period specified in this section fails

to so act, any person may seek an order of the district court requiring the board or governmental unit to immediately take the action mandated by subdivisions 2a and 3a.

Sec. 9. *Rules adopted under the authority of section 116D.04 which are in effect on the effective date of this act shall remain in effect until the rules required by this section become effective.*

Sec. 10. [REPEALER.] *Minnesota Statutes 1978, Section 116D.04, Subdivision 1, 2, 3, 4 and 5 are repealed.*

Sec. 11. [EFFECTIVE DATE.] *Sections 1 to 10 are effective the day following final enactment."*

The motion prevailed and the amendment was adopted.

Weaver and Rothenberg offered an amendment to S. F. No. 1962.

POINT OF ORDER

Pehler raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker deferred his decision temporarily.

There being no objection S. F. No. 1962, as amended, together with the pending point of order was continued temporarily.

H. F. No. 1813, A bill for an act relating to public finance; authorizing the issuance of Minnesota state railroad assistance bonds; appropriating money; amending Minnesota Statutes 1978, Chapter 222, by adding a section.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Aasness	Blatz	Elioff	Haukoos	Knickerbocker
Adams	Brinkman	Ellingson	Hoberg	Kostohryz
Ainley	Byrne	Erickson	Hokanson	Kroening
Anderson, B.	Carlson, D.	Esau	Jacobs	Laidig
Anderson, D.	Carlson, L.	Evans	Jaros	Lehto
Anderson, G.	Casserly	Ewald	Jennings	Levi
Anderson, I.	Clark	Faricy	Johnson, C.	Long
Anderson, R.	Clawson	Fjoslien	Johnson, D.	Luknic
Battaglia	Corbid	Forsythe	Jude	Mann
Begich	Dean	Fudro	Kahn	McCarron
Berglin	Den Ouden	Greenfield	Kalis	McEachern
Berkelman	Eken	Halberg	Kelly	Mehrkens

Metzen	Onnen	Rees	Simoneau	Welch
Minne	Osthoff	Reif	Stadum	Wenzel
Moe	Otis	Rice	Stoa	Wieser
Murphy	Patton	Rodriguez	Sviggum	Wynia
Nelsen, B.	Pehler	Rose	Swanson	Zubay
Nelsen, M.	Peterson, D.	Sarna	Tomlinson	Spkr. Norton
Nelson	Pleasant	Schreiber	Valan	
Novak	Prahl	Searle	Vanasek	
Nysether	Redalen	Sieben, H.	Voss	
Olsen	Reding	Sieben, M.	Waldorf	

Those who voted in the negative were:

Albrecht	Heap	McDonald	Sherwood	Wigley
Crandall	Heinitz	Niehaus	Stowell	
Dempsey	Kaley	Peterson, B.	Thiede	
Drew	Kempe	Piepho	Valento	
Fritz	Kvam	Searles	Welker	

The bill was passed and its title agreed to.

H. F. No. 1981, A bill for an act relating to public welfare; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; amending Minnesota Statutes 1978, Section 256D.05, Subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kahn	Nelsen, B.	Searles
Adams	Elioff	Kaley	Nelsen, M.	Sherwood
Ainley	Ellingson	Kalis	Nelson	Sieben, H.
Anderson, B.	Erickson	Kelly	Niehaus	Sieben, M.
Anderson, D.	Esau	Kempe	Norman	Simoneau
Anderson, G.	Evans	Knickerbocker	Novak	Stadum
Anderson, I.	Ewald	Kostohryz	Nysether	Stoa
Anderson, R.	Faricy	Kroening	Olsen	Stowell
Battaglia	Fjoslien	Kvam	Osthoff	Sviggum
Begich	Forsythe	Laidig	Otis	Swanson
Berglin	Fritz	Lehto	Patton	Thiede
Berkelman	Fudro	Levi	Pehler	Tomlinson
Blatz	Greenfield	Long	Peterson, B.	Valan
Brinkman	Halberg	Ludeman	Peterson, D.	Valento
Byrne	Haukoos	Luknic	Piepho	Vanasek
Carlson, D.	Heap	Mann	Pleasant	Voss
Carlson, L.	Heinitz	McCarron	Prahl	Waldorf
Casserly	Hoberg	McDonald	Redalen	Welch
Clark	Hokanson	McEachern	Reding	Welker
Clawson	Jacobs	Mehrkens	Rees	Wenzel
Corbid	Jaros	Metzen	Reif	Wieser
Crandall	Jennings	Minne	Rice	Wigley
Dean	Johnson, C.	Moe	Rothenberg	Wynia
Dempsey	Johnson, D.	Munger	Sarna	Zubay
Drew	Jude	Murphy	Schreiber	Spkr. Norton

Those who voted in the negative were:

Den Ouden

The bill was passed and its title agreed to.

S. F. No. 2134, A bill for an act relating to natural resources; providing for analysis of hydroelectric generating capacity of publicly owned dams; clarifying provisions relating to the administration of and authorization for dam repair and reconstruction grants; authorizing the employment of a person to administer grants; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 1 and 4; Minnesota Statutes, 1979 Supplement, Section 105.482, Subdivisions 3 and 5a; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kalis	Novak	Sieben, H.
Adams	Elioff	Kelly	Nysether	Sieben, M.
Ainley	Ellingson	Kempe	Olsen	Simoneau
Albrecht	Erickson	Knickerbocker	Onnen	Stadum
Anderson, B.	Esau	Kostohryz	Osthoff	Stoa
Anderson, D.	Evans	Kroening	Otis	Stowell
Anderson, G.	Ewald	Kvam	Patton	Sviggum
Anderson, I.	Faricy	Laidig	Pehler	Swanson
Anderson, R.	Fjoslien	Lehto	Peterson, B.	Thiede
Battaglia	Forsythe	Levi	Peterson, D.	Tomlinson
Begich	Fritz	Long	Piepho	Valan
Berglin	Fudro	Ludeman	Pleasant	Valento
Berkelman	Greenfield	Luknic	Prahl	Vanasek
Blatz	Haukoos	Mann	Redalen	Voss
Brinkman	Heap	McCarron	Reding	Waldorf
Byrne	Heinitz	McEachern	Rees	Weaver
Carlson, D.	Hoberg	Mehrkens	Reif	Welch
Carlson, L.	Hokanson	Metzen	Rice	Welker
Casserly	Jacobs	Minne	Rodriguez	Wenzel
Clark	Jaros	Moe	Rose	Wieser
Clawson	Jennings	Munger	Rothenberg	Wigley
Corbid	Johnson, C.	Murphy	Sarna	Wynia
Dean	Johnson, D.	Nelsen, M.	Schreiber	Zubay
Dempsey	Jude	Nelson	Searle	Spkr. Norton
Den Ouden	Kahn	Niehaus	Searles	
Drew	Kaley	Norman	Sherwood	

Those who voted in the negative were:

Crandall McDonald

The bill was passed and its title agreed to.

H. F. No. 160, A bill for an act relating to welfare; changing income disregard provisions for certain medical assistance recipients and certain supplemental aid recipients; appropriating money; amending Minnesota Statutes 1978, Section 256D.37, Subdivision 2; Minnesota Statutes, 1979 Supplement, Sections 256B.06, Subdivision 1; and 256D.37, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kelly	Norman	Sieben, H.
Adams	Eken	Kempe	Novak	Sieben, M.
Ainley	Elioff	Knickerbocker	Nysether	Simoneau
Albrecht	Ellingson	Kostohryz	Olsen	Stadum
Anderson, B.	Erickson	Kroening	Onnen	Stoa
Anderson, D.	Esau	Kvam	Osthoff	Stowell
Anderson, G.	Evans	Laidig	Otis	Sviggum
Anderson, I.	Ewald	Lehto	Patton	Swanson
Anderson, R.	Faricy	Levi	Pehler	Thiede
Battaglia	Fjoslien	Long	Peterson, B.	Tomlinson
Begich	Forsythe	Ludeman	Peterson, D.	Valan
Berglin	Fritz	Luknic	Piepho	Valento
Berkelman	Fudro	Mann	Pleasant	Vanasek
Blatz	Greenfield	McCarron	Prahl	Voss
Brinkman	Haukoos	McDonald	Redalen	Waldorf
Byrne	Heap	McEachern	Reding	Weaver
Carlson, D.	Heinitz	Mehrkens	Rees	Welch
Carlson, L.	Hoberg	Metzen	Reif	Welker
Casserly	Hokanson	Minne	Rice	Wenzel
Clark	Jacobs	Moe	Rose	Wieser
Clawson	Jennings	Munger	Rothenberg	Wigley
Corbid	Johnson, C.	Murphy	Sarna	Wynia
Crandall	Johnson, D.	Nelsen, B.	Schreiber	Zubay
Dean	Jude	Nelsen, M.	Searle	Spkr. Norton
Dempsey	Kaley	Nelson	Searles	
Den Ouden	Kalis	Niehaus	Sherwood	

The bill was passed and its title agreed to.

H. F. No. 1138, A bill for an act relating to local government; authorizing local governmental units to establish training programs for local government officials in conjunction with certain organizations; appropriating money; amending Minnesota Statutes 1978, Section 471.59, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 23 nays as follows:

Those who voted in the affirmative were :

Adams	Elioff	Kelly	Nelson	Searles
Ainley	Ellingson	Kempe	Norman	Sieben, H.
Anderson, B.	Erickson	Knickerbocker	Novak	Sieben, M.
Anderson, D.	Evans	Kostohryz	Olsen	Simoneau
Anderson, G.	Ewald	Kroening	Onnen	Stadum
Anderson, I.	Farcy	Kvam	Osthoff	Stoa
Anderson, R.	Forsythe	Laidig	Otis	Stowell
Battaglia	Friedrich	Lehto	Patton	Swanson
Begich	Fudro	Levi	Pehler	Tomlinson
Berglin	Greenfield	Long	Peterson, B.	Valan
Berkelman	Heap	Luknic	Peterson, D.	Vanasek
Blatz	Heinitz	Mann	Piepho	Voss
Brinkman	Hoberg	McCarron	Pleasant	Waldorf
Byrne	Hokanson	McEachern	Prahl	Weaver
Carlson, D.	Jacobs	Mehrkens	Redalen	Welch
Carlson, L.	Jaros	Metzen	Rice	Wenzel
Casserly	Johnson, C.	Minne	Rodriguez	Wynia
Clark	Johnson, D.	Moe	Rose	Spkr. Norton
Clawson	Jude	Munger	Rothenberg	
Corbid	Kahn	Murphy	Sarna	
Dean	Kaley	Nelsen, B.	Schreiber	
Eken	Kalis	Nelsen, M.	Searle	

Those who voted in the negative were :

Aasness	Drew	Ludeman	Reif	Wieser
Albrecht	Fjoslien	McDonald	Sherwood	Wigley
Crandall	Fritz	Niehaus	Swiggum	Zubay
Dempsey	Haukoos	Reding	Thiede	
Den Ouden	Jennings	Rees	Weiker	

The bill was passed and its title agreed to.

H. F. No. 2035, A bill for an act relating to historic sites and monuments; adding property to Split Rock Lighthouse historic site; reestablishing Traverse des Sioux historic site as a state monument; appropriating funds; amending Minnesota Statutes 1978, Sections 138.025, Subdivision 10; and 138.585, by adding a subdivision; repealing Minnesota Statutes 1978, Section 138.55, Subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 1 nay as follows :

Those who voted in the affirmative were :

Aasness	Battaglia	Carlson, L.	Den Ouden	Ewald
Adams	Begich	Casserly	Drew	Farcy
Ainley	Berglin	Clark	Eken	Fjoslien
Anderson, B.	Berkelman	Clawson	Elioff	Forsythe
Anderson, D.	Blatz	Corbid	Ellingson	Friedrich
Anderson, G.	Brinkman	Crandall	Erickson	Fritz
Anderson, I.	Byrne	Dean	Esau	Fudro
Anderson, R.	Carlson, D.	Dempsey	Evans	Greenfield

Halberg	Kostohryz	Murphy	Redalen	Stowell
Haukoos	Kroening	Nelsen, B.	Reding	Sviggum
Heap	Kvam	Nelsen, M.	Rees	Swanson
Heinitz	Laidig	Nelson	Reif	Thiede
Hoberg	Lehto	Niehaus	Rice	Tomlinson
Hokanson	Levi	Norman	Rodriguez	Valan
Jacobs	Long	Novak	Rose	Valento
Jaros	Ludeman	Nysether	Rothenberg	Voss
Jennings	Luknic	Olsen	Sarna	Waldorf
Johnson, C.	Mann	Osthoff	Schreiber	Weaver
Johnson, D.	McCarron	Otis	Searle	Welch
Jude	McDonald	Patton	Searles	Welker
Kahn	McEachern	Pehler	Sherwood	Wenzel
Kaley	Mehrkens	Peterson, B.	Sieben, H.	Wieser
Kalis	Metzen	Peterson, D.	Sieben, M.	Wigley
Kelly	Minne	Piepho	Simoneau	Wynia
Kempe	Moe	Pleasant	Stadum	Zubay
Knickerbocker	Munger	Prahl	Stoa	Spkr. Norton

Those who voted in the negative were :

Vanasek

The bill was passed and its title agreed to.

S. F. No. 210 was reported to the House.

Swanson offered an amendment to S. F. No. 210.

POINT OF ORDER

Searle raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Johnson, C., ruled the point of order well taken and the amendment out of order.

S. F. No. 210, A bill for an act relating to education; providing and regulating certain mobility incentives for certain teachers in the community colleges and state universities; amending Minnesota Statutes 1978, Sections 354.094, Subdivisions 1, 2 and 5; 354.66, Subdivisions 1, 7, 9 and 10, and by adding subdivisions; 354.69; Minnesota Statutes, 1979 Supplement, Sections 354.094, Subdivision 3; and 354.66, Subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows :

Those who voted in the affirmative were :

Aasness	Anderson, D.	Begich	Brinkman	Clark
Adams	Anderson, G.	Berglin	Byrne	Clawson
Ainley	Anderson, I.	Berkelman	Carlson, D.	Corbid
Albrecht	Anderson, R.	Biersdorf	Carlson, L.	Crandall
Anderson, B.	Battaglia	Blatz	Casserly	Dean

Dempsey	Hokanson	Mann	Pehler	Stoa
Den Ouden	Jacobs	McCarron	Peterson, B.	Stowell
Drew	Jaros	McDonald	Peterson, D.	Sviggum
Eken	Jennings	McEachern	Piepho	Swanson
Elioff	Johnson, C.	Mehrkens	Pleasant	Thiede
Ellingson	Johnson, D.	Metzen	Prahl	Tomlinson
Erickson	Jude	Minne	Redalen	Valan
Esau	Kahn	Moe	Reding	Valento
Evans	Kaley	Munger	Rees	Vanasek
Ewald	Kalis	Murphy	Reif	Voss
Faricy	Kelly	Nelsen, B.	Rice	Waldorf
Fjoslien	Kempe	Nelsen, M.	Rodriguez	Weaver
Forsythe	Knickerbocker	Nelson	Rothenberg	Welch
Friedrich	Kostohryz	Niehaus	Sarna	Welker
Fritz	Kroening	Norman	Schreiber	Wenzel
Fudro	Kvam	Novak	Searle	Wieser
Greenfield	Laidig	Nysether	Searles	Wigley
Halberg	Lehto	Olsen	Sherwood	Zubay
Haukoos	Levi	Onnen	Sieben, H.	Spkr. Norton
Heap	Long	Osthoff	Siebenn, M.	
Heinitz	Ludeman	Otis	Simoneau	
Hoberg	Luknic	Patton	Stadum	

The bill was passed and its title agreed to.

H. F. No. 2149 was reported to the House.

Long moved to amend H. F. No. 2149 as follows:

Page 3, after line 1, delete the balance of the page

Page 4, delete lines 1 to 16

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

Kvam offered an amendment to H. F. No. 2149.

POINT OF ORDER

McCarron raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Johnson, C., ruled the point of order well taken and the amendment out of order.

H. F. No. 2149, A bill for an act relating to public welfare; clarifying duties of the commissioner of public welfare regarding approval of public and private mental health centers and clinics for certain purposes; providing for additional rulemaking; appropriating money; amending Minnesota Statutes, 1979 Supplement, Section 245.69.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Norman	Searles
Adams	Elioff	Kalis	Novak	Sherwood
Albrecht	Ellingson	Kelly	Nysether	Sieben, H.
Anderson, B.	Erickson	Kempe	Olsen	Sieben, M.
Anderson, D.	Esau	Knickerbocker	Onnen	Simoneau
Anderson, G.	Evans	Kostohryz	Osthoff	Stadium
Anderson, I.	Ewald	Kroening	Otis	Stoa
Anderson, R.	Faricy	Kvam	Patton	Stowell
Battaglia	Fjoslien	Laidig	Peher	Sviggum
Begich	Fritz	Lehto	Peterson, B.	Swanson
Berglin	Fudro	Levi	Peterson, D.	Tomlinson
Berkelman	Greenfield	Luknic	Piepho	Valan
Biersdorf	Halberg	Mann	Pleasant	Valento
Blatz	Haukoos	McCarron	Prahl	Vanasek
Brinkman	Heap	McDonald	Redalen	Voss
Carlson, D.	Heinitz	McEachern	Reding	Waldorf
Carlson, L.	Hoberg	Mehrkens	Rees	Weaver
Casserly	Hokanson	Minne	Reif	Welch
Clark	Jacobs	Moe	Rice	Welker
Clawson	Jaros	Munger	Rodriguez	Wenzel
Corbid	Jennings	Murphy	Rose	Wieser
Crandall	Johnson, C.	Nelsen, B.	Rothenberg	Wigley
Dean	Johnson, D.	Nelsen, M.	Sarna	Wynia
Dempsey	Jude	Nelson	Schreiber	Zubay
Drew	Kahn	Niehaus	Searle	Spkr. Norton

Those who voted in the negative were:

Den Ouden

The bill was passed and its title agreed to.

S. F. No. 702, A bill for an act relating to health; requiring counties to establish local nursing home pre-admission screening teams; prescribing duties of the teams and the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Chapter 256B, by adding a section.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Aasness	Biersdorf	Drew	Halberg	Kahn
Adams	Blatz	Elioff	Haukoos	Kaley
Ainley	Brinkman	Ellingson	Heap	Kalis
Anderson, B.	Byrne	Erickson	Heinitz	Kelly
Anderson, D.	Carlson, D.	Esau	Hoberg	Kempe
Anderson, G.	Carlson, L.	Evans	Hokanson	Knickerbocker
Anderson, I.	Casserly	Ewald	Jacobs	Kostohryz
Anderson, R.	Clark	Faricy	Jaros	Kroening
Battaglia	Clawson	Fjoslien	Jennings	Kvam
Begich	Crandall	Fritz	Johnson, C.	Laidig
Berglin	Dean	Fudro	Johnson, D.	Lehto
Berkelman	Dempsey	Greenfield	Jude	Long

Ludeman	Nelson	Pleasant	Sherwood	Voss
Luknic	Niehaus	Prahl	Sieben, H.	Waldorf
Mann	Norman	Redalen	Sieben, M.	Weaver
McCarron	Novak	Reding	Simoneau	Welch
McDonald	Nysether	Rees	Stadum	Welker
McEachern	Olsen	Reif	Stoa	Wenzel
Mehrkens	Osthoff	Rice	Stowell	Wieser
Metzen	Otis	Rodriguez	Sviggum	Wigley
Minne	Patton	Rose	Swanson	Wynia
Moe	Pehler	Rothenberg	Tomlinson	Zubay
Munger	Peterson, B.	Sarna	Valan	Spkr. Norton
Murphy	Peterson, D.	Schreiber	Valento	
Nelsen, M.	Piepho	Searles	Vanasek	

Those who voted in the negative were :

Albrecht	Corbid	Den Ouden	Onnen	Searle
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The bill was passed and its title agreed to.

H. F. No. 2100, A bill for an act relating to housing; providing the housing finance agency with authority to make grants and loans to certain sponsors of housing used for temporary shelter; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 111 yeas and 20 nays as follows:

Those who voted in the affirmative were :

Adams	Eken	Jude	Nelsen, M.	Searle
Ainley	Elioff	Kahn	Nelson	Searles
Anderson, B.	Ellingson	Kaley	Norman	Sherwood
Anderson, D.	Erickson	Kelly	Novak	Sieben, M.
Anderson, G.	Esau	Kempe	Nysether	Simoneau
Anderson, I.	Evans	Knickerbocker	Olsen	Stadum
Anderson, R.	Ewald	Kostohryz	Onnen	Stoa
Battaglia	Faricy	Kroening	Osthoff	Stowell
Begich	Fjoslien	Laidig	Otis	Swanson
Berglin	Forsythe	Lehto	Patton	Tomlinson
Berkelman	Fritz	Levi	Pehler	Valan
Biersdorf	Fudro	Long	Peterson, B.	Valento
Blatz	Greenfield	Luknic	Peterson, D.	Vanasek
Brinkman	Halberg	Mann	Pleasant	Voss
Byrne	Heap	McCarron	Prahl	Waldorf
Carlson, D.	Heinitz	McEachern	Reding	Weaver
Carlson, L.	Hoberg	Mehrkens	Reif	Wenzel
Casserly	Hokanson	Metzen	Rice	Wynia
Clark	Jacobs	Minne	Rodriguez	Spkr. Norton
Clawson	Jaros	Moe	Rose	
Corbid	Jennings	Munger	Rothenberg	
Dean	Johnson, C.	Murphy	Sarna	
Drew	Johnson, D.	Nelsen, B.	Schreiber	

Those who voted in the negative were:

Aasness	Den Ouden	Ludeman	Redalen	Welker
Albrecht	Haukoos	McDonald	Rees	Wieser
Crandall	Kalis	Niehaus	Sviggum	Wigley
Dempsey	Kvam	Piepho	Thiede	Zubay

The bill was passed and its title agreed to.

S. F. No. 480, A bill for an act relating to public health; authorizing the funding of a statewide poison information center; giving grant and program monitoring responsibilities to the commissioner of health; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Nelson	Sherwood
Adams	Eken	Kaley	Niehaus	Sieben, H.
Ainley	Elioff	Kalis	Norman	Sieben, M.
Albrecht	Ellingson	Kelly	Novak	Simoneau
Anderson, B.	Erickson	Kempe	Nysether	Stadum
Anderson, D.	Esau	Knickerbocker	Olsen	Stoa
Anderson, G.	Evans	Kostohryz	Onnen	Stowell
Anderson, I.	Ewald	Kroening	Osthoff	Sviggum
Anderson, R.	Faricy	Kvam	Otis	Swanson
Battaglia	Fjoslien	Laidig	Patton	Thiede
Begich	Forsythe	Lehto	Pehler	Tomlinson
Berkelman	Fritz	Levi	Peterson, B.	Valan
Biersdorf	Fudro	Long	Peterson, D.	Valento
Blatz	Greenfield	Ludeman	Piepho	Vanasek
Brinkman	Halberg	Luknic	Pleasant	Voss
Byrne	Haukoos	Mann	Prahl	Waldorf
Carlson, D.	Heap	McCarron	Redalen	Weaver
Carlson, L.	Heinitz	McEachern	Reding	Welch
Casserly	Hoberg	Mehrkens	Rees	Wenzel
Clark	Hokanson	Metzen	Reif	Wieser
Clawson	Jacobs	Minne	Rice	Wigley
Corbid	Jaros	Moe	Rodriguez	Wynia
Crandall	Jennings	Munger	Rose	Zubay
Dean	Johnson, C.	Murphy	Rothenberg	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Sarna	
Den Ouden	Jude	Nelsen, M.	Searles	

Those who voted in the negative were:

McDonald Welker

The bill was passed and its title agreed to.

H. F. No. 902, A bill for an act relating to pollution; establishing noise limits for motorboats; amending Minnesota Statutes 1978, Section 361.17.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Norman	Sieben, H.
Adams	Eken	Kelly	Novak	Sieben, M.
Anderson, B.	Elioff	Kempe	Nysether	Simoneau
Anderson, D.	Ellingson	Knickerbocker	Olsen	Stadum
Anderson, G.	Erickson	Kostohryz	Osthoff	Stoa
Anderson, I.	Evans	Kroening	Otis	Stowell
Anderson, R.	Ewald	Laidig	Patton	Sviggum
Battaglia	Faricy	Lehto	Pehler	Swanson
Begich	Fjoslien	Levi	Peterson, B.	Thiede
Berglin	Forsythe	Long	Peterson, D.	Tomlinson
Berkelman	Fritz	Luknic	Piepho	Valan
Blatz	Fudro	Mann	Pleasant	Valento
Brinkman	Greenfield	McCarron	Prahl	Vanasek
Byrne	Halberg	McEachern	Redalen	Voss
Carlson, D.	Haukoos	Mehrkens	Reding	Waldorf
Carlson, L.	Heap	Metzen	Reif	Weaver
Casserly	Heinitz	Minne	Rice	Welch
Clark	Hoberg	Moe	Rodriguez	Wenzel
Clawson	Hokanson	Munger	Rose	Wynia
Corbid	Jacobs	Murphy	Rothenberg	Spkr. Norton
Crandall	Jaros	Nelsen, B.	Sarna	
Dean	Johnson, C.	Nelsen, M.	Schreiber	
Dempsey	Johnson, D.	Nelson	Searles	
Den Ouden	Jude	Niehaus	Sherwood	

Those who voted in the negative were:

Ainley	Jennings	Ludeman	Welker	Wigley
Albrecht	Kaley	McDonald	Wieser	Zubay
Biersdorf	Kalis	Onnen		
Esau	Kvam	Rees		

The bill was passed and its title agreed to.

H. F. No. 1603, A bill for an act relating to welfare; clarifying certain provisions of the general assistance medical care program; establishing an earned income disregard work incentive in the general assistance program; making various other changes in the general assistance program; appropriating money; amending Minnesota Statutes 1978, Sections 256D.01; 256D.02, Subdivisions 4, 9, 10, 11, 12, and by adding a subdivision; 256D.03, Subdivisions 1 and 3; 256D.04; 256D.06, Subdivisions 1 and 2; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.10; 256D.-11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 256D.13, Subdivision 1; 256D.16; and 256D.18, Subdivisions 2 and 4; and Minnesota Statutes, 1979 Supplement, Sections 256D.03, Subdivision 2; 256D.07; and 256D.08, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 97 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Adams	Ellingson	Kostohryz	Nysether	Sieben, M.
Anderson, B.	Erickson	Kroening	Olsen	Stadum
Anderson, D.	Evans	Laidig	Onnen	Stoa
Anderson, G.	Ewald	Lehto	Otis	Swanson
Anderson, I.	Faricy	Long	Patton	Tomlinson
Anderson, R.	Fjoslien	Luknic	Pehler	Valan
Berglin	Fritz	Mann	Peterson, D.	Vanasek
Berkelman	Fudro	McCarron	Piepho	Voss
Biersdorf	Greenfield	McDonald	Pleasant	Waldorf
Blatz	Heap	McEachern	Redalen	Weaver
Brinkman	Heinitz	Mehrkens	Reding	Welch
Byrne	Jacobs	Metzen	Rees	Wenzel
Carlson, L.	Jaros	Moe	Reif	Wieser
Casserly	Johnson, C.	Munger	Rice	Wigley
Clark	Jude	Murphy	Rodriguez	Wynia
Clawson	Kahn	Nelsen, B.	Rose	Zubay
Corbid	Kaley	Nelsen, M.	Rothenberg	Spkr. Norton
Dean	Kelly	Nelson	Searles	
Drew	Kempe	Norman	Sherwood	
Eken	Knickerbocker	Novak	Sieben, H.	

Those who voted in the negative were:

Aasness	Dempsey	Hoberg	Ludeman	Stowell
Albrecht	Den Ouden	Jennings	Minne	Sviggum
Battaglia	Elioff	Johnson, D.	Niehaus	Thiede
Begich	Forsythe	Kvam	Peterson, B.	Valento
Crandall	Halberg	Levi	Searle	Welker

The bill was passed and its title agreed to.

H. F. No. 1942, A bill for an act relating to public welfare; requiring reporting of abuse or neglect of vulnerable adults; requiring certain facilities to establish abuse prevention plans; establishing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 245.813, by adding a subdivision; and Chapter 626, by adding a section; repealing Minnesota Statutes 1978, Sections 245.813, Subdivisions 2, 3, 4, 5, 6, 7, 8, and 9; and 626.555.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, B.	Anderson, R.	Berkelman	Byrne
Adams	Anderson, D.	Battaglia	Biersdorf	Carlson, D.
Ainley	Anderson, G.	Begich	Blatz	Carlson, L.
Albrecht	Anderson, I.	Berglin	Brinkman	Casserly

Clark	Heap	Luknic	Pehler	Stoa
Clawson	Heinitz	Mann	Peterson, B.	Stowell
Corbid	Hoberg	McCarron	Peterson, D.	Sviggum
Crandall	Hokanson	McDonald	Piepho	Swanson
Dean	Jacobs	McEachern	Pleasant	Thiede
Dempsey	Jaros	Mehrkens	Prahl	Tomlinson
Den Ouden	Jennings	Metzen	Redalen	Valan
Drew	Johnson, C.	Minne	Reding	Valento
Eken	Johnson, D.	Moe	Rees	Vanasek
Elioff	Jude	Munger	Reif	Voss
Ellingson	Kahn	Murphy	Rice	Waldorf
Erickson	Kaley	Nelsen, B.	Rodriguez	Weaver
Esau	Kalis	Nelsen, M.	Rose	Welch
Evans	Kelly	Nelson	Rothenberg	Welker
Ewald	Kempe	Niehaus	Sarna	Wenzel
Faricy	Knickerbocker	Norman	Schreiber	Wieser
Fjoslien	Kostohryz	Novak	Searle	Wigley
Forsythe	Kroening	Nysether	Searles	Wynia
Fritz	Laidig	Olsen	Sherwood	Zubay
Fudro	Lehto	Onnen	Sieben, H.	Spkr. Norton
Greenfield	Levi	Osthoff	Sieben, M.	
Halberg	Long	Otis	Simoneau	
Haukoos	Ludeman	Patton	Stadum	

The bill was passed and its title agreed to.

H. F. No. 1847, A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kaley	Nelson	Searles
Adams	Drew	Kalis	Niehaus	Sherwood
Ainley	Eken	Kelly	Norman	Sieben, H.
Albrecht	Elioff	Kempe	Novak	Sieben, M.
Anderson, B.	Ellingson	Knickerbocker	Nysether	Simoneau
Anderson, D.	Erickson	Kostohryz	Olsen	Stadum
Anderson, G.	Esau	Kroening	Onnen	Stoa
Anderson, I.	Evans	Kvam	Osthoff	Stowell
Anderson, R.	Ewald	Laidig	Otis	Sviggum
Battaglia	Faricy	Lehto	Patton	Swanson
Begich	Fjoslien	Levi	Pehler	Thiede
Berglin	Forsythe	Long	Peterson, B.	Tomlinson
Berkelman	Fritz	Ludeman	Peterson, D.	Valan
Biersdorf	Fudro	Luknic	Piepho	Valento
Blatz	Greenfield	Mann	Pleasant	Vanasek
Brinkman	Haukoos	McCarron	Prahl	Voss
Byrne	Heap	McDonald	Redalen	Waldorf
Carlson, D.	Heinitz	McEachern	Reding	Weaver
Carlson, L.	Hoberg	Mehrkens	Rees	Welch
Casserly	Hokanson	Metzen	Reif	Welker
Clark	Jacobs	Minne	Rice	Wenzel
Clawson	Jaros	Moe	Rodriguez	Wieser
Corbid	Jennings	Munger	Rose	Wigley
Crandall	Johnson, C.	Murphy	Rothenberg	Wynia
Dean	Jude	Nelsen, B.	Sarna	Spkr. Norton
Dempsey	Kahn	Nelsen, M.	Schreiber	

Those who voted in the negative were:

Halberg Zubay

The bill was passed and its title agreed to.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 461, A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Sections 3 and 4; providing for elections to fill vacancies in constitutional offices.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 632, A bill for an act relating to courts; establishing the appellate division of the district court; providing for the election of judges; prescribing duties; providing for appellate division staff; appropriating money; repealing Minnesota Statutes 1978, Sections 484.63; and 487.39.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. The following amendment to the Minnesota Constitution is proposed to the people.

Subdivision 1. If the amendment is adopted, Article VI, Section 1, of the Minnesota Constitution will read as follows:

Section 1. [JUDICIAL POWER.] The judicial power of the state is vested in a supreme court, *a court of appeals*, a district court and such other courts, judicial officers and commissioners with jurisdiction inferior to the district court as the legislature may establish.

Subd. 2. If the amendment is adopted, Article VI, Section 2, of the Minnesota Constitution will read as follows:

Sec. 2. [SUPREME COURT.] The supreme court consists of one chief judge and not less than six nor more than eight associate judges as the legislature may establish. It shall have original jurisdiction in such remedial cases as are prescribed by law, and appellate jurisdiction in all cases, but there shall be no trial by jury in the supreme court.

The legislature may establish a court of appeals and provide by law for the number of its judges, for its organization and for the manner of review of its decisions by the supreme court. The court of appeals shall have appellate jurisdiction over all courts, except the supreme court, and other appellate jurisdiction as prescribed by law.

As provided by law judges of the *court of appeals* or of the district court may be assigned temporarily to act as judges of the supreme court upon its request.

The supreme court shall appoint to serve at its pleasure a clerk, a reporter, a state law librarian and other necessary employees.

Subd. 3. If the amendment is adopted, Article VI, Section 5, of the Minnesota Constitution will read:

Sec. 5. [QUALIFICATIONS; COMPENSATION.] Judges of the supreme court, *the court of appeals* and the district court shall be learned in the law. The qualifications of all other judges and judicial officers shall be prescribed by law. The compensation of all judges shall be prescribed by the legislature and shall not be diminished during their term of office.

Subd. 4. If the amendment is adopted, Article VI, Section 6, of the Minnesota Constitution will read:

Sec. 6. [HOLDING OTHER OFFICE.] A judge of the supreme court, *the court of appeals* or the district court shall not hold any office under the United States except a commission in a reserve component of the military forces of the United States and shall not hold any other office under this state. His term of office shall terminate at the time he files as a candidate for an elective office of the United States or for a non-judicial office of this state.

Sec. 2. The proposed amendment shall be submitted to the people at the 1980 general election. The question submitted to the people shall be:

“Shall the Minnesota Constitution be amended to permit the legislature to establish a court of appeals?”

Yes

No””

Further, delete the title and insert:

“A bill for an act proposing an amendment to the Constitution of Minnesota, Article VI, Sections 1, 2, 5, and 6 to allow the Legislature to create a court of appeals.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2289, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing certain restrictions on highway bonds.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 632 and 2289 were read for the second time.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, for the Committee on Rules and Legislative Administration, offered the following report:

Special Orders pending for today have been renumbered in the following sequence:

S. F. Nos. 919, 2122, 2265, 1690, 1997, 1749 and 2195; H. F. No. 2320; S. F. Nos. 1166, 1875, 1842, 1541, 1922, 1811, 1772, 1813, 1937, 2090, 1679, 2110, 1240, 1619 and 1665; H. F. No. 2237 and S. F. Nos. 1708, 2071, 2117, 523, 2067, 789 and 704.

Further that, S. F. No. 1652, now on Special Orders, be returned to General Orders.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Voss requested immediate consideration of H. F. No. 729; S. F. No. 1141; H. F. Nos. 2046, 1842 and 1201; and S. F. No. 1962.

H. F. No. 729, A bill for an act relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 256B.35.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kahn	Nelsen, M.	Searle
Adams	Drew	Kaley	Nelson	Searles
Ainley	Eken	Kalis	Niehaus	Sherwood
Albrecht	Elioff	Kelly	Norman	Sieben, H.
Anderson, B.	Ellingson	Kempe	Novak	Sieben, M.
Anderson, D.	Erickson	Knickerbocker	Nysether	Simoneau
Anderson, G.	Esau	Kostohryz	Olsen	Stadum
Anderson, I.	Evans	Kroening	Onnen	Stoa
Anderson, R.	Ewald	Kvam	Osthoff	Swanson
Battaglia	Faricy	Laidig	Otis	Thiede
Begich	Fjoslien	Lehto	Patton	Tomlinson
Berglin	Forsythe	Levi	Pehler	Valan
Berkelman	Fritz	Long	Peterson, B.	Vanasek
Biersdorf	Fudro	Ludeman	Peterson, D.	Voss
Blatz	Greenfield	Luknic	Piepho	Waldorf
Brinkman	Halberg	Mann	Pleasant	Weaver
Byrne	Heap	McCarron	Prahl	Welch
Carlson, D.	Heinitz	McDonald	Redalen	Welker
Carlson, L.	Hoberg	McEachern	Reding	Wenzel
Casserly	Hokanson	Mehrkens	Rees	Wieser
Clark	Jacobs	Metzen	Reif	Wigley
Clawson	Jaros	Minne	Rice	Wynia
Corbid	Jennings	Moe	Rodriguez	Zubay
Crandall	Johnson, C.	Munger	Rose	Spkr. Norton
Dean	Johnson, D.	Murphy	Rothenberg	
Dempsey	Jude	Nelsen, B.	Sarna	

The bill was passed and its title agreed to.

S. F. No. 1141, A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory committees; establishing a statewide interpreter referral service; providing for a program of training and employment; prescribing duties for the commissioner of public welfare; establishing

an office on hearing impairment; providing for an advisory committee for the state council for the handicapped; prescribing duties for the department of health; providing for a study by the state planning agency; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Nelsen, B.	Rothenberg
Adams	Eken	Kahn	Nelsen, M.	Sarna
Ainley	Elioff	Kaley	Nelson	Schreiber
Albrecht	Ellingson	Kalis	Niehaus	Searle
Anderson, B.	Erickson	Kelly	Norman	Searles
Anderson, D.	Esau	Kempe	Novak	Sherwood
Anderson, G.	Evans	Knickerbocker	Nysether	Sieben, H.
Anderson, I.	Ewald	Kostohryz	Olsen	Sieben, M.
Anderson, R.	Faricy	Kroening	Onnen	Simoneau
Battaglia	Fjoslien	Kvam	Osthoff	Stadum
Begich	Forsythe	Laidig	Otis	Sviggum
Berglin	Fritz	Lehto	Patton	Swanson
Berkelman	Fudro	Levi	Pehler	Thiede
Biersdorf	Greenfield	Long	Peterson, B.	Tomlinson
Blatz	Halberg	Ludeman	Peterson, D.	Valan
Brinkman	Haukoos	Luknic	Piepho	Voss
Byrne	Heap	Mann	Pleasant	Waldorf
Carlson, D.	Heinitz	McCarron	Prahl	Weaver
Carlson, L.	Hoberg	McEachern	Redalen	Welch
Casserly	Hokanson	Mehrkens	Reding	Welker
Clark	Jacobs	Metzen	Rees	Wenzel
Corbid	Jaros	Minne	Reif	Wieser
Crandall	Jennings	Moe	Rice	Wigley
Dean	Johnson, C.	Munger	Rodriguez	Wynia
Den Ouden	Johnson, D.	Murphy	Rose	Zubay

The bill was passed and its title agreed to.

H. F. No. 2046, A bill for an act establishing the Minnesota small business conference; providing for its organization, meetings and procedures; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, G.	Berkelman	Casserly	Den Ouden
Adams	Anderson, I.	Blatz	Clark	Eken
Ainley	Anderson, R.	Brinkman	Clawson	Elioff
Albrecht	Battaglia	Byrne	Corbid	Ellingson
Anderson, B.	Begich	Carlson, D.	Crandall	Erickson
Anderson, D.	Berglin	Carlson, L.	Dean	Esau

Evans	Jude	McEachern	Patton	Sieben, M.
Ewald	Kahn	Metzen	Pehler	Simoneau
Faricy	Kaley	Minne	Peterson, B.	Stadum
Fjoslien	Kalis	Moe	Peterson, D.	Sviggum
Forsythe	Kelly	Munger	Pleasant	Swanson
Fudro	Kempe	Murphy	Prahl	Tomlinson
Greenfield	Knickerbocker	Nelsen, B.	Redalen	Valan
Halberg	Kostohryz	Nelsen, M.	Reeing	Voss
Heap	Kroening	Nelson	Rees	Waldorf
Heinitz	Kvam	Niehaus	Reif	Weaver
Hoberg	Laidig	Norman	Rice	Welch
Hokanson	Lehto	Novak	Rodriguez	Wenzel
Jacobs	Levi	Nysether	Rose	Wigley
Jaros	Long	Olsen	Rothenberg	Wynia
Jennings	Luknic	Onnen	Sarna	Spkr. Norton
Johnson, C.	Mann	Osthoff	Searle	
Johnson, D.	McCarron	Otis	Searles	

Those who voted in the negative were :

Drew	Ludeman	Piepho	Thiede	Wieser
Fritz	Mehrkens	Sherwood	Welker	

The bill was passed and its title agreed to.

H. F. No. 1842, A bill for an act relating to nuclear safety; providing for a nuclear power plant emergency response plan; providing for assessment of costs to nuclear power plants; requiring the departments of public safety and health to monitor, provide training, and prepare plans for nuclear power plant incidents; requiring a study; appropriating money; amending Minnesota Statutes 1978, Chapter 12, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 12.03, Subdivision 4; and 12.21, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 4 nays as follows :

Those who voted in the affirmative were :

Aasness	Carlson, L.	Forsythe	Kalis	Metzen
Adams	Casserly	Fritz	Kelly	Minne
Ainley	Clark	Fudro	Kempe	Moe
Albrecht	Clawson	Greenfield	Knickerbocker	Munger
Anderson, B.	Corbid	Halberg	Kostohryz	Murphy
Anderson, D.	Crandall	Haukoos	Kroening	Nelsen, B.
Anderson, G.	Dean	Heap	Kvam	Nelsen, M.
Anderson, I.	Dempsey	Heinitz	Laidig	Nelson
Anderson, R.	Den Ouden	Hokanson	Lehto	Norman
Battaglia	Drew	Jacobs	Levi	Novak
Begich	Eken	Jaros	Long	Nysether
Berglin	Ellingson	Jennings	Luknic	Olsen
Berkelman	Erickson	Johnson, C.	Mann	Onnen
Blatz	Evans	Johnson, D.	McCarron	Osthoff
Brinkman	Ewald	Jude	McDonald	Otis
Byrne	Faricy	Kahn	McEachern	Patton
Carlson, D.	Fjoslien	Kaley	Mehrkens	Pehler

Peterson, B.	Reif	Sherwood	Tomlinson	Wieser
Peterson, D.	Rice	Sieben, H.	Valan	Wigley
Piepho	Rodriguez	Sieben, M.	Valento	Wynia
Pleasant	Rose	Simoneau	Voss	Zubay
Prahl	Rothenberg	Stadum	Waldorf	Spkr. Norton
Redalen	Sarna	Sviggum	Weaver	
Reding	Searle	Swanson	Welch	
Rees	Searles	Thiede	Wenzel	

Those who voted in the negative were:

Elioff	Hoberg	Niehaus	Welker
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The bill was passed and its title agreed to.

H. F. No. 1201 was reported to the House.

Fjoslien moved to amend H. F. No. 1201, as follows:

Page 3, line 5, strike "\$7.50" insert "\$6.00"

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

H. F. No. 1201, A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; stating the evidentiary effect of certain blood tests; altering certain safety requirements and motor noise limits; providing an outline for distributing water safety enforcement funds; appropriating money; amending Minnesota Statutes 1978, Sections 361.02, by adding subdivisions; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.18; 361.20; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; 361.27, Subdivision 1; and 361.29, Subdivision 4; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 83 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark	Ewald	Heap	Kelly
Anderson, G.	Corbid	Faricy	Heinitz	Knickerbocker
Berglin	Dean	Forsythe	Jaros	Kostohryz
Berkelman	Den Ouden	Friedrich	Johnson, C.	Laidig
Blatz	Drew	Fritz	Johnson, D.	Lehto
Byrne	Eken	Fudro	Kahn	Levi
Carlson, D.	Ellingson	Greenfield	Kaley	Long
Casserly	Erickson	Halberg	Kalis	Mann

McDonald	Olsen	Reding	Simoneau	Voss
Mehrkens	Onnen	Rees	Stadum	Waldorf
Moe	Otis	Reif	Stoa	Weaver
Munger	Pehler	Rose	Stowell	Welch
Murphy	Peterson, B.	Rothenberg	Sviggum	Wenzel
Nelsen, B.	Peterson, D.	Searle	Tomlinson	Wynia
Nelsen, M.	Piepho	Searles	Valan	Spkr. Norton
Nelson	Pleasant	Sieben, H.	Valento	
Norman	Redalen	Sieben, M.	Vanasek	

Those who voted in the negative were :

Aasness	Brinkman	Hokanson	McEachern	Rodriguez
Adams	Carlson, L.	Jacobs	Metzen	Sarna
Ainley	Crandall	Jennings	Minne	Schreiber
Albrecht	Dempsey	Jude	Niehaus	Sherwood
Anderson, D.	Elioff	Kempe	Novak	Swanson
Anderson, I.	Esau	Kroening	Nysether	Thiede
Anderson, R.	Evans	Kvam	Osthoff	Welker
Battaglia	Fjoslien	Ludeman	Patton	Wieser
Begich	Haukoos	Luknic	Prahl	Wigley
Biersdorf	Hoberg	McCarron	Rice	

The bill was passed and its title agreed to.

S. F. No. 1962, as amended, was reported to the House.

POINT OF ORDER

The pending point of order raised by Pehler earlier today relating to the Weaver and Rothenberg amendment to S. F. No. 1962 was reported to the House. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 1962, A bill for an act relating to the environment; altering the procedure for environmental review; providing for alternative forms of environmental review; amending Minnesota Statutes 1978, Section 116D.04, by adding subdivisions; repealing Minnesota Statutes 1978, Section 116D.04, Subdivisions 1, 2, 3, 4, and 5.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 3 nays as follows :

Those who voted in the affirmative were :

Aasness	Begich	Cassery	Eken	Forsythe
Adams	Berglin	Clark	Elioff	Fritz
Albrecht	Berkelman	Clawson	Ellingson	Fudro
Anderson, B.	Biersdorf	Corbid	Erickson	Greenfield
Anderson, D.	Blatz	Crandall	Esau	Halberg
Anderson, G.	Brinkman	Dean	Evans	Haukoos
Anderson, I.	Byrne	Dempsey	Ewald	Heap
Anderson, R.	Carlson, D.	Den Ouden	Faricy	Heinitz
Battaglia	Carlson, L.	Drew	Fjoslien	Hoberg

Hokanson	Levi	Novak	Rice	Tomlinson
Jacobs	Long	Nysether	Rodriguez	Valan
Jaros	Luknic	Olsen	Rose	Valento
Johnson, C.	Mann	Onnen	Rothenberg	Voss
Johnson, D.	McCarron	Osthoff	Sarna	Waldorf
Jude	McEachern	Otis	Schreiber	Weaver
Kahn	Mehrkens	Patton	Searle	Welch
Kaley	Metzen	Peher	Searles	Wenzel
Kalis	Minne	Peterson, B.	Sherwood	Wieser
Kelly	Moe	Peterson, D.	Sieben, H.	Wigley
Kempe	Munger	Piepho	Sieben, M.	Wynia
Knickerbocker	Murphy	Pleasant	Simoneau	Zubay
Kostohryz	Nelsen, B.	Prahl	Stadum	Spkr. Norton
Kroening	Nelsen, M.	Redalen	Stowell	
Kvam	Nelson	Reding	Sviggum	
Laidig	Niehaus	Rees	Swanson	
Lehto	Norman	Reif	Thiede	

Those who voted in the negative were:

Jennings Ludeman Welker

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

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on General Legislation and Veterans Affairs to which was referred:

The following appointment as reported in the Journal for March 3, 1980:

ETHICAL PRACTICES BOARD

Elizabeth Ebbott

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

Anderson, I., moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Elizabeth Ebbott to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

CONFIRMATION

Anderson, I., moved that the House, having advised, do now consent to and confirm the appointment of Elizabeth Ebbott, 409 Birchwood Avenue, White Bear Lake, Washington County, effective February 12, 1980, for a term expiring the first Monday in January, 1984.

A roll call was requested and properly seconded.

The question was taken on the motion to confirm and the roll was called. There were 117 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Norman	Searles
Adams	Elioff	Kalis	Novak	Sherwood
Ainley	Ellingson	Kelly	Nysether	Sieben, H.
Albrecht	Erickson	Kempe	Olsen	Sieben, M.
Anderson, B.	Esau	Knickerbocker	Onnen	Simoneau
Anderson, D.	Evans	Kostohryz	Otis	Stadum
Anderson, G.	Ewald	Kroening	Patton	Stoa
Anderson, I.	Fjoslien	Kvam	Pehler	Swanson
Anderson, R.	Forsythe	Laidig	Peterson, B.	Thiede
Battaglia	Fritz	Lehto	Peterson, D.	Valan
Begich	Fudro	Levi	Piepho	Valento
Berkelman	Halberg	Long	Pleasant	Vanasek
Biersdorf	Haukoos	Ludeman	Prahl	Weaver
Blatz	Heap	Luknic	Redalen	Welch
Brinkman	Heinitz	Mann	Reding	Welker
Byrne	Hoberg	McDonald	Rees	Wenzel
Carlson, D.	Hokanson	McEachern	Reif	Wieser
Carlson, L.	Jacobs	Metzen	Rice	Wigley
Casserly	Jaros	Minne	Rodriguez	Wynia
Crandall	Jennings	Munger	Rose	Zubay
Dean	Johnson, C.	Murphy	Rothenberg	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Sarna	
Den Ouden	Jude	Nelsen, M.	Schreiber	
Drew	Kahn	Niehaus	Searle	

Those who voted in the negative were:

Berglin	Greenfield	Tomlinson	Voss	Waldorf
Clark	Osthoff			

The motion prevailed and the appointment of Elizabeth Ebbott was confirmed by the House.

Anderson, I., from the Committee on General Legislation and Veterans Affairs to which was referred:

The following appointment as reported in the Journal for March 13, 1980:

ETHICAL PRACTICES BOARD

Henry J. Savelkoul

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

Anderson, I., moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Henry J. Savelkoul to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

Anderson, I., moved that the House, having advised, do now consent to and confirm the appointment of Henry J. Savelkoul, RR1, Albert Lea, Freeborn County, effective March 7, 1980, for a term expiring on the first Monday in January, 1984.

A roll call was requested and properly seconded.

The question was taken on the motion to confirm and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Niehaus	Sieben, H.
Adams	Elioff	Kalis	Norman	Sieben, M.
Ainley	Ellingson	Kelly	Novak	Simoneau
Albrecht	Erickson	Kempe	Nysether	Stadum
Anderson, B.	Esau	Knickerbocker	Olsen	Stoa
Anderson, D.	Evans	Kostohryz	Onnen	Stowell
Anderson, G.	Ewald	Kroening	Osthoff	Sviggum
Anderson, I.	Faricy	Kvam	Otis	Swanson
Anderson, R.	Fjoslien	Laidig	Patton	Thiede
Battaglia	Forsythe	Lehto	Pehler	Tomlinson
Begich	Friedrich	Levi	Peterson, B.	Valan
Berglin	Fritz	Long	Peterson, D.	Valento
Berkelman	Fudro	Ludeman	Piepho	Vanasek
Biersdorf	Greenfield	Luknic	Pleasant	Voss
Blatz	Halberg	Mann	Redalen	Waldorf
Brinkman	Haukoos	McCarron	Reding	Weaver
Byrne	Heap	McDonald	Rees	Welch
Carlson, D.	Heinitz	McEachern	Reif	Welker
Carlson, L.	Hoberg	Mehrkens	Rice	Wenzel
Cassarly	Hokanson	Metzen	Rodriguez	Wieser
Clark	Jacobs	Minne	Rose	Wigley
Corbid	Jaros	Moe	Rothenberg	Wynia
Crandall	Jennings	Munger	Sarna	Zubay
Dean	Johnson, C.	Murphy	Schreiber	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Searles	
Drew	Kahn	Nelson	Sherwood	

The motion prevailed and the appointment of Henry J. Savelkoul was confirmed by the House.

SPECIAL ORDERS

S. F. No. 919 was reported to the House.

Stoa moved that S. F. No. 919 be placed at the bottom of Special Orders. The motion prevailed.

S. F. No. 2122 was reported to the House.

Peterson, D., moved to amend S. F. No. 2122, as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 204A.17, is amended by adding a subdivision to read:

Subd. 6. [TIME OFF FROM WORK TO SERVE AS ELECTION JUDGE.] Every individual who is selected to serve as an election judge pursuant to this section is entitled, after giving his employer at least ten days written notice, to absent himself from his place of work for the purpose of serving as an election judge. No employer shall penalize an employee for such absence other than a deduction in salary for the time he absented himself from his place of employment. This subdivision applies only to employers with four or more employees.

Sec. 2. [HENNEPIN COUNTY REAPPORTIONMENT COMMISSION.] In each year ending in the number one, or when required by court order, a reapportionment commission shall be established to draw the boundaries of Hennepin County commissioner districts.

The commission shall consist of nine members who are eligible voters of the county. One member shall be appointed by each member of the county board.

The remaining two members shall be appointed by unanimous agreement of the board appointees and shall be impartial in the matter of apportionment.

Members of the commission shall be appointed not later than March 15 when the commission is established in a year ending in the number one. The district court shall fill any vacancy caused by failure to appoint a member within the time required by law.

Sec. 3. [APPORTIONMENT STANDARDS.] The commission shall draw the boundaries of commissioner districts in accordance with the requirements of sections 2 to 16.

All districts shall be as equal in population as practicable. Population shall be the controlling factor in drawing the district boundaries.

The districts shall be composed of compact and contiguous territory. To the extent consistent with other standards, the boundaries of the districts shall follow the boundaries of local governmental units. No apportionment plan shall be drawn for the purpose of favoring any political party or person.

Sec. 4. [APPORTIONMENT PLAN.] The commission by a majority vote shall adopt an apportionment plan setting forth all of the districts.

An apportionment plan shall be effective 30 days after it is adopted. The districts set forth in the plan shall govern elections beginning with the first general election after the plan is adopted.

Sec. 5. [MEMBERS; QUALIFICATIONS.] *Subdivision 1. No individual shall be appointed or serve on the commission who:*

(a) holds or has held within two years prior to appointment an elected or appointed office in federal, state or local government;

(b) is or has been within two years prior to appointment an officer of a political party;

(c) is an employee of federal, state or local government;

(d) is a member of the immediate family of a county commissioner. "Member of the immediate family" means father, mother, son, daughter, brother, sister, spouse, ex-spouse or member of the same household. No individual appointed as a member of the commission shall, while a member of the commission, be a candidate for any elective office.

Subd. 2. If the county board or its appointees fail to appoint required members before March 15, the district court shall do so upon the petition of any citizen. Other vacancies shall be filled by the appointing authority or, if necessary, the district court.

Sec. 6. [COMMENCEMENT OF DUTIES; MEETINGS.] *Subdivision 1. The commission shall meet not later than April 1. The commission shall elect a presiding officer and other officers as it shall find necessary.*

Subd. 2. The commission shall meet upon the call of either the presiding officer or a majority of the members of the commission. The proceedings of the commission are open to the public. The commission shall give public notice of its proceedings and shall keep minutes and audio recordings of those proceedings. All materials submitted to or developed by the commission, together with the minutes and audio record of its proceedings shall be preserved and made available for public inspection and copying. The commission may administer oaths to individuals appearing before it.

Subd. 3. A majority of the members of the commission is a quorum to conduct business.

Sec. 7. [REMOVAL OF COMMISSION MEMBER.] *Any member of the commission may be removed from the commission by the district court upon petition filed by any eligible voter. The member may be removed, after a hearing, upon a finding by the*

court, by a preponderance of the evidence, that a member of the commission during his membership has been convicted of a gross misdemeanor or felony, or that a member is unqualified to serve under the provisions of section 4, or that a member is physically or mentally incapable of serving, or is unwilling to serve. It is prima facie evidence that a member is unwilling to serve if he fails to attend three successive meetings of the commission or fails to attend a total of six meetings of the commission. Upon removal, the position shall be filled in the manner provided for filling vacancies. An individual who is removed from the commission pursuant to this section may not be reappointed to the commission.

Sec. 8. [ADMINISTRATIVE SUPPORT.] *The presiding officer of the commission shall supervise the staff of the commission. The county board shall make available the personnel, facilities, technical services and other assistance requested by the commission. The commission shall consult with county staff in the development of a plan to the extent practical. The commission may employ or contract for the services of other staff personnel.*

Sec. 9. [APPORTIONMENT PLAN.] *Subdivision 1. An apportionment plan adopted by the commission shall include:*

(a) a written description of each district drawn by the commission;

(b) a map of each district showing the name and location of each public road and each local governmental unit boundary in the district in a scale that allows precise location of the district boundaries;

(c) a statement of the deviation in population of each district from the average population of all districts of that kind;

(d) a justification of any population deviation which exceeds one-half of one percent;

(e) an explanation of the standards used by the commission to draw the districts; and

(f) Any other information which the commission deems relevant to the plan.

Subd. 2. An apportionment plan shall be adopted not later than September 1 of the year in which the commission is established. The district court, upon petition by the commission, may extend the time for adoption of the plan to a date not later than December 1 of that year if the court finds that the population information needed by the commission to adopt the plan has not been made available in a timely manner. When an apportionment

plan adopted by the commission is remanded by a court, the commission shall adopt an amended plan consistent with the finding of the court not later than 30 days after the original plan is remanded.

Subd. 3. An apportionment plan is adopted when approved by a vote of at least five members of the commission and filed with the secretary of state. An apportionment plan is effective 30 days after it is adopted.

Subd. 4. Any commission members in the minority may prepare a minority report which shall be published with the plan adopted by the commission.

Sec. 10. [COURT ORDER.] Subdivision 1. When a commission is not otherwise constituted and a federal court order requires amendment of a plan, a commission shall be established consistent with sections 2 to 16 and shall draw the district boundaries or amend the plan.

Subd. 2. The district court shall set a timetable for establishing a reapportionment commission and drawing the boundaries or amending the plan. The timetable shall be consistent with the time otherwise provided for adoption of an apportionment plan, as far as practicable.

Sec. 11. [COMPENSATION.] Members shall be compensated for their actual and necessary expenses incurred in carrying out their duties on the commission in the same manner and amount as other county employees.

Sec. 12. [DISSOLUTION.] The commission shall conclude its business and dissolve when:

(a) 60 days have passed from the adoption of an original, unamended apportionment plan without the filing of any petition for review by the supreme court and all legal actions concerning the plan which are known at that time have been decided; or

(b) the commission has adopted an amended apportionment plan after remand by a court; or

(c) the commission has failed to adopt a plan or amended plan within the time required by law. The conclusion of business shall include preparation of the official record of the commission and a financial statement disclosing all expenditures made by the commission. The official record shall contain all information developed by the commission pursuant to carrying out its duties including records of public hearings, data collected, minutes and audio recordings of hearings and meetings, and other information of a similar nature. The official record shall be submitted to the county board who shall provide for its preservation.

Sec. 13. [PUBLICATION OF REPORT.] *Subdivision 1. Promptly after the filing of an apportionment plan the secretary of state shall:*

(a) *prepare and transmit a copy of the plan to the county auditor;*

(b) *prepare and transmit a summary of the plan to each newspaper of general circulation and each radio and television station in the county; and*

(c) *prepare sufficient copies of the plan and the summary for inspection, copying and purchase by the public.*

Subd. 2. The summary shall contain:

(a) *a map showing all the new districts;*

(b) *a statement of the population of each district;*

(c) *a statement of the percentage variation of each district from the average population of other districts of the same kind; and*

(d) *an indication of where a copy of the final report of the commission may be examined or purchased and its purchase price.*

Sec. 14. [JUDICIAL REVIEW.] *Subdivision 1. An action to review an apportionment plan adopted by the reapportionment commission shall be commenced by petition to the district court within 30 days of the effective date of the plan. The petition shall set forth the facts and the law on the basis of which petitioner believes the plan does not comply with the provisions of the United States Constitution, the Minnesota Constitution or other provisions of law. A copy of the petition shall be served upon the commission and the county attorney. The court shall hold hearings upon the petition and render its opinion within 60 days of the date that the petition is filed.*

Subd. 2. If the court determines that an original, unamended plan of the reapportionment commission does not comply with constitutional or legal requirements, the court shall specify the reasons for its finding and immediately remand the plan to the commission for amendment. If the court retains jurisdiction of an action to review an apportionment plan when the plan is remanded to the commission, the court shall render its opinion on any amended plan within 90 days after the effective date of the amended plan.

Subd. 3. If a federal court determines that an original unamended plan of the reapportionment commission does not com-

ply with constitutional or legal requirements, and the court permits the commission to redraw the boundaries with consideration to the court's findings and conclusions, the plan shall be remanded to the commission for amendment.

Subd. 4. If the commission fails to adopt an apportionment plan or an amended plan within the time provided by law, or an amended plan adopted by the commission is found invalid upon review by the district court, the district court shall adopt its own reapportionment plan. The court shall hold at least one public hearing before adopting or amending a plan. An apportionment plan adopted or amended by the court shall be in the form prescribed for a plan adopted by the commission. The court shall adopt the plan or amended plan and file it with the secretary of state not later than 60 days from the date on which the commission was required to adopt its plan or the date on which the plan was declared invalid. The plan is effective 30 days after it is adopted.

Sec. 15. [DUTIES OF COUNTY ATTORNEY.] *The county attorney shall represent the commission and defend the apportionment plan adopted by the commission in any action to review the plan in state or federal court.*

Sec. 16. *This act supersedes for Hennepin County the provisions of Minnesota Statutes, Section 375.025.*

Sec. 17. *Section 1 of this act is effective the day following final enactment and, pursuant to Minnesota Statutes, 1979 Supplement, Section 645.023, Subdivision 1, Clauses (a) and (c), sections 2 to 16 of this act are effective the day after final enactment."*

Further amend by striking the title and inserting:

"A bill for an act relating to elections; authorizing time off from work for election judges; providing for redistricting of Hennepin County commissioner districts; amending Minnesota Statutes 1978, Section 204A.17, by adding a subdivision."

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE

On the motion of Crandall and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Anderson, D.	Begich	Byrne	Clawson
Adams	Anderson, G.	Berglin	Carlson, D.	Corbid
Ainley	Anderson, I.	Berkelman	Carlson, L.	Crandall
Albrecht	Anderson, R.	Blatz	Casserly	Dempsey
Anderson, B.	Battaglia	Brinkman	Clark	Den Ouden

Drew	Jaros	McCarron	Pleasant	Sviggum
Eken	Jennings	McEachern	Prahl	Thiede
Elioff	Johnson, C.	Mehrkens	Redalen	Tomlinson
Ellingson	Johnson, D.	Metzen	Reding	Valan
Erickson	Jude	Minne	Rees	Valento
Esau	Kahn	Munger	Reif	Vanasek
Evans	Kaley	Nelsen, B.	Rice	Voss
Ewald	Kalis	Nelsen, M.	Rodriguez	Waldorf
Fariy	Kelly	Nelson	Rose	Weaver
Fjoslien	Kempe	Niehaus	Rothenberg	Welch
Forsythe	Knickerbocker	Norman	Sarna	Welker
Friedrich	Kostohryz	Novak	Schreiber	Wenzel
Fudro	Kroening	Olsen	Searle	Wieser
Greenfield	Kvam	Onnen	Searles	Wigley
Halberg	Laidig	Osthoff	Sherwood	Wynia
Haukoos	Lehto	Otis	Sieben, H.	Zubay
Heap	Levi	Patton	Sieben, M.	Spkr. Norton
Heinitz	Long	Pehler	Simoneau	
Hoberg	Ludeman	Peterson, B.	Stadum	
Hokanson	Luknic	Peterson, D.	Stoa	
Jacobs	Mann	Piepho	Stowell	

Anderson, I., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Peterson, D., moved to amend S. F. No. 2122, as amended, as follows:

Page 2, line 2, after the period insert *"The commission shall have the exclusive power to draw the boundaries of the county commissioner districts."*

Page 2, line 3, delete *"nine"* and insert *"11"*

Page 2, line 6, delete *"two"* and insert *"four"* and delete *"by"*

Page 2, line 7, delete *"unanimous agreement"* and insert *"after agreement of at least five"*

Page 2, line 11, delete *"district court"* and insert *"county board by a vote of at least five of its members"*

Page 2, line 23, after the period, insert *"There shall be one district for each county commissioner."*

Page 2, line 28, after the period insert *"The commission, upon adoption of the plan, shall file the plan with the county official responsible for administration of elections."*

Page 2, line 29, delete *"30 days after"* and insert *"when"*

Page 2, line 30, delete *"it is"* and before the period insert *"and filed"*

Page 3, delete lines 17 to 21, and insert

"Subd. 2. Vacancies shall be filled by the appointing authority or, if necessary, the county board by at least five of its members."

Page 3, line 24, after "1" insert *"of the year in which it is established"*

Page 4, line 26, after "other" insert *"reasonable"*

Page 5, delete Subd. 3

Renumber the remaining subdivision

Page 6, delete lines 1 to 10 and insert:

"Sec. 10. [ELECTION AFTER REAPPORTIONMENT; STAGGERED TERMS.] *There shall be a new election of all county commissioners at the next general election after adoption of a reapportionment plan, except that where the change made in the boundaries of a district is less than ten 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 elected. The commission shall determine the number of members of the county board who shall be elected to two and four year terms at the first general election after adoption of an apportionment plan in order to provide for staggered terms."*

Page 6, line 16, delete the colon and insert *"it has adopted and filed an apportionment plan. The"*

Page 6, delete lines 17 to 25

Page 7, line 5, delete *"secretary of state"* and insert *"official with whom it is filed"*

Page 7, delete lines 6 and 7 and reletter the remaining clauses

Page 8, line 2, delete *"an original,"*

Page 8, line 3, delete everything before *"does"* and insert *"the plan"*

Page 8, line 5, delete *"immediately"*

Page 8, delete lines 6 to 11 and insert *"shall adopt its own apportionment plan within 60 days after issuing its opinion. The plan shall be adopted in accordance with the standards and form provided in sections 2 to 16. The court shall hold at least one public hearing before adopting the plan. Upon adoption of*

the plan the court shall file the plan with the county official responsible for administration of elections."

Page 8, delete lines 12 to 18 and insert:

"Subd. 3. The decision of the district court and any plan adopted by the court may be reviewed on appeal to the supreme court if the appeal is filed within 30 days after the district court issues its opinion or files its plan. The supreme court shall render its opinion within 60 days after the appeal is filed. If required by its opinion, the court shall adopt and file its own apportionment plan not later than 60 days after issuing its opinion."

Page 9, line 2, delete "by the commission" and insert "under sections 2 to 16"

Page 9, delete lines 4 to 10 and insert:

"Sec. 16. Minnesota Statutes, Section 375.025, Subdivisions 2 and 3 shall not apply to Hennepin County.

Sec. 17. Sections 2 to 16 are effective in Hennepin County.

Sec. 18. Sections 2 to 18 are effective upon approval by the governing body of Hennepin County, and upon compliance with Minnesota Statutes, Section 645.021."

Delete the title and insert:

"A bill for an act relating to elections; providing for redistricting of Hennepin County commissioner districts; authorizing time off from work for election judges; amending Minnesota Statutes 1978, Section 204A.17, by adding a subdivision."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 126 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, D.	Begich	Brinkman	Clark
Adams	Anderson, G.	Berglin	Byrne	Clawson
Ainley	Anderson, I.	Berkelman	Carlson, D.	Corbid
Albrecht	Anderson, R.	Biersdorf	Carlson, L.	Crandall
Anderson, B.	Battaglia	Blatz	Cassery	Dean

Dempsey	Hokanson	Luknic	Pehler	Stowell
Den Ouden	Jacobs	Mann	Peterson, B.	Sviggum
Eken	Jaros	McCarron	Peterson, D.	Swanson
Elioff	Jennings	McDonald	Piepho	Thiede
Ellingson	Johnson, C.	McEachern	Redalen	Tomlinson
Erickson	Johnson, D.	Mehrkens	Reding	Valan
Esau	Jude	Metzen	Rees	Valento
Evans	Kahn	Minne	Rice	Vanasek
Ewald	Kaley	Moe	Rodriguez	Voss
Faricy	Kalis	Munger	Rose	Weaver
Fjoslien	Kelly	Murphy	Rothenberg	Welker
Forsythe	Kempe	Nelsen, B.	Sarna	Wenzel
Friedrich	Knickerbocker	Nelsen, M.	Schreiber	Wieser
Fritz	Kostohryz	Nelson	Searle	Wigley
Fudro	Kroening	Niehaus	Searles	Wynia
Greenfield	Kvam	Norman	Sherwood	Zubay
Halberg	Laidig	Novak	Sieben, H.	Spkr. Norton
Haukoos	Lehto	Nysether	Sieben, M.	
Heap	Levi	Onnen	Simoneau	
Heinitz	Long	Osthoff	Stadum	
Hoberg	Ludeman	Otis	Stoa	

Those who voted in the negative were:

Drew	Patton	Pleasant	Reif	Waldorf
Olsen				

The motion prevailed and the amendment was adopted.

Knickerbocker moved to amend S. F. No. 2122, as amended, as follows:

Page 1, after line 20, insert:

"Sec. 2. This act is effective the day following final enactment."

Pages 1 to 9, delete Sections 2 to 17 in their entirety.

Further, amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, delete line 4 in its entirety

Page 1, line 5, delete "districts;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 64 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Johnson, D.	Nysether	Sherwood
Ainley	Evans	Kaley	Olsen	Stadum
Albrecht	Ewald	Knickerbocker	Onnen	Stowell
Anderson, D.	Fjoslien	Kvam	Peterson, B.	Sviggum
Anderson, R.	Forsythe	Laidig	Pleasant	Thiede
Blatz	Friedrich	Levi	Redalen	Valan
Carlson, D.	Fritz	Ludeman	Rees	Valento
Crandall	Halberg	Luknic	Reif	Weaver
Dean	Haukoos	McDonald	Rose	Welker
Dempsey	Heap	Mehrkens	Rothenberg	Wieser
Den Ouden	Heinitz	Nelsen, B.	Schreiber	Wigley
Drew	Hoberg	Niehaus	Searle	Zubay
Erickson	Jennings	Norman	Searles	

Those who voted in the negative were:

Adams	Corbid	Kelly	Nelsen, M.	Sieben, M.
Anderson, B.	Eken	Kempe	Nelson	Simoneau
Anderson, G.	Elioff	Kostohryz	Novak	Stoa
Anderson, I.	Ellingson	Kroening	Osthoff	Swanson
Battaglia	Faricy	Lehto	Otis	Tomlinson
Begich	Fudro	Long	Patton	Vanasek
Berglin	Greenfield	Mann	Pehler	Voss
Berkelman	Hokanson	McCarron	Peterson, D.	Waldorf
Brinkman	Jacobs	McEachern	Prahl	Welch
Byrne	Jaros	Metzen	Reding	Wenzel
Carlson, L.	Johnson, C.	Minne	Rice	Wynia
Cassery	Jude	Moe	Rodriguez	Spkr. Norton
Clark	Kahn	Munger	Sarna	
Clawson	Kalis	Murphy	Sieben, H.	

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

S. F. No. 2122, A bill for an act relating to elections; authorizing time off from work for election judges; amending Minnesota Statutes 1978, Section 204A.17, by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 68 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Adams	Carlson, L.	Greenfield	Kostohryz	Munger
Anderson, B.	Cassery	Hokanson	Kroening	Murphy
Anderson, G.	Clark	Jacobs	Lehto	Nelsen, M.
Anderson, I.	Clawson	Jaros	Long	Nelson
Battaglia	Corbid	Johnson, C.	Mann	Novak
Begich	Eken	Jude	McCarron	Osthoff
Berglin	Elioff	Kahn	McEachern	Otis
Berkelman	Ellingson	Kalis	Metzen	Patton
Brinkman	Faricy	Kelly	Minne	Pehler
Byrne	Fudro	Kempe	Moe	Peterson, D.

Prahl	Sarna	Stoa	Voss	Wynia
Reding	Sieben, H.	Swanson	Waldorf	Spkr. Norton
Rice	Sieben, M.	Tomlinson	Welch	
Rodriguez	Simoneau	Vanasek	Wenzel	

Those who voted in the negative were:

Aasness	Esau	Kaley	Onnen	Stowell
Ainley	Evans	Knickerbocker	Peterson, B.	Sviggum
Albrecht	Ewald	Kvam	Piepho	Thiede
Anderson, D.	Fjoslien	Laidig	Pleasant	Valan
Anderson, R.	Forsythe	Levi	Redalen	Valento
Biersdorf	Friedrich	Ludeman	Rees	Weaver
Blatz	Fritz	Luknic	Reif	Welker
Carlson, D.	Halberg	McDonald	Rose	Wieser
Crandall	Haukoos	Mehrkens	Rothenberg	Wigley
Dean	Heap	Nelsen, B.	Schreiber	Zubay
Dempsey	Heinitz	Niehaus	Searle	
Den Ouden	Hoberg	Norman	Searles	
Drew	Jennings	Nysether	Sherwood	
Erickson	Johnson, D.	Olsen	Stadum	

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

CALL OF THE HOUSE LIFTED

Forsythe moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

S. F. No. 2265 was reported to the House.

Peterson, B., moved to amend S. F. No. 2265, as follows:

Strike everything after the enacting clause and insert:

“Section 1. The city of Bloomington may establish a port authority which shall have the same powers as a port authority established pursuant to Minnesota Statutes, Section 458.09. If the city establishes a port authority, the city shall exercise all the powers relating to the port authority granted to a city by Minnesota Statutes, Section 458.09 or other law.

Sec. 2. This act is effective on the day of compliance with Minnesota Statutes, Section 645.021, Subdivision 3.”

Further amend by striking the title and inserting:

“A bill for an act relating to the city of Bloomington; permitting the establishment of a port authority.”

The motion prevailed and the amendment was adopted.

S. F. No. 2265, A bill for an act relating to municipalities; authorizing joint municipal franchising for cable communications;

permitting the establishment of a port authority by the city of Bloomington; amending Minnesota Statutes 1978, Section 238.08, by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kempe	Novak	Sieben, M.
Adams	Erickson	Knickerbocker	Nysether	Simoneau
Ainley	Esau	Kostohryz	Olsen	Stadum
Albrecht	Evans	Kroening	Onnen	Stoa
Anderson, B.	Ewald	Kvam	Osthoff	Stowell
Anderson, D.	Faricy	Laidig	Otis	Svigum
Anderson, G.	Fjoslien	Lehto	Patton	Swanson
Anderson, I.	Forsythe	Levi	Pehler	Thiede
Anderson, R.	Friedrich	Long	Peterson, B.	Tomlinson
Battaglia	Fudro	Ludeman	Peterson, D.	Valento
Berglin	Greenfield	Luknic	Piepho	Vanasek
Berkelman	Haukoos	Mann	Pleasant	Voss
Biersdorf	Heap	McCarron	Prahl	Waldorf
Blatz	Heinitz	McDonald	Redalen	Weaver
Brinkman	Hoberg	McEachern	Reding	Welch
Byrne	Hokanson	Mehrkens	Rees	Welker
Carlson, L.	Jacobs	Metzen	Reif	Wenzel
Casserly	Jaros	Minne	Rice	Wieser
Clark	Jennings	Moe	Rodriguez	Wigley
Clawson	Johnson, C.	Munger	Rose	Wynia
Corbid	Johnson, D.	Murphy	Rothenberg	Zubay
Dean	Jude	Nelsen, B.	Sarna	Spkr. Norton
Dempsey	Kahn	Nelsen, M.	Searle	
Den Ouden	Kaley	Nelson	Searles	
Eken	Kalis	Niehaus	Sherwood	
Elioff	Kelly	Norman	Sieben, H.	

Those who voted in the negative were:

Drew Fritz

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

S. F. No. 1690, A bill for an act relating to state departments; providing for the creation of a state employee assistance program in the department of administration; amending Minnesota Statutes 1978, Section 16.02, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Niehaus	Sherwood
Adams	Eken	Kalis	Norman	Sieben, H.
Ainley	Elioff	Kelly	Novak	Sieben, M.
Albrecht	Ellingson	Kempe	Nysether	Simoneau
Anderson, B.	Erickson	Knickerbocker	Olsen	Stadum
Anderson, D.	Esau	Kostohryz	Onnen	Stoa
Anderson, G.	Evans	Kroening	Osthoff	Stowell
Anderson, I.	Ewald	Kvam	Otis	Sviggum
Anderson, R.	Faricy	Lehto	Patton	Swanson
Battaglia	Fjoslien	Levi	Pehler	Thiede
Begich	Forsythe	Long	Peterson, B.	Tomlinson
Berglin	Fritz	Ludeman	Peterson, D.	Valan
Berkelman	Fudro	Luknic	Piepho	Valento
Biersdorf	Greenfield	Mann	Pleasant	Vanasek
Blatz	Haukoos	McCarron	Prahl	Voss
Brinkman	Heap	McDonald	Redalen	Waldorf
Byrne	Heinitz	McEachern	Reding	Weaver
Carlson, D.	Hoberg	Mehrkens	Rees	Welch
Carlson, L.	Hokanson	Metzen	Rice	Welker
Casserly	Jacobs	Minne	Rodriguez	Wenzel
Clark	Jaros	Moe	Rose	Wieser
Clawson	Jennings	Munger	Rothenberg	Wigley
Corbid	Johnson, C.	Murphy	Sarna	Wynia
Dean	Johnson, D.	Nelsen, B.	Schreiber	Zubay
Dempsey	Jude	Nelsen, M.	Searle	Sprk. Norton
Den Ouden	Kahn	Nelson	Searles	

The bill was passed and its title agreed to.

Searles was excused for the remainder of today's session.

S. F. No. 1997, A bill for an act relating to the city of Austin and Cook County; authorizing the establishment and financing of the capital cost of a solid waste disposal system and program in the city of Austin; providing for steam line construction agreements for Cook County and Independent School District No. 166.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Berkelman	Dean	Fjoslien	Jennings
Adams	Biersdorf	Dempsey	Forsythe	Johnson, C.
Ainley	Blatz	Den Ouden	Fritz	Johnson, D.
Albrecht	Brinkman	Drew	Fudro	Jude
Anderson, B.	Byrne	Eken	Greenfield	Kahn
Anderson, D.	Carlson, D.	Elioff	Haukoos	Kaley
Anderson, G.	Carlson, L.	Ellingson	Heap	Kalis
Anderson, I.	Casserly	Erickson	Heinitz	Kelly
Anderson, R.	Clark	Esau	Hoberg	Kempe
Battaglia	Clawson	Evans	Hokanson	Knickerbocker
Begich	Corbid	Ewald	Jacobs	Kostohryz
Berglin	Crandall	Faricy	Jaros	Kroening

Kvam	Munger	Patton	Schreiber	Valento
Lehto	Murphy	Peterson, B.	Searle	Vanasek
Levi	Nelsen, B.	Piepho	Sherwood	Voss
Long	Nelsen, M.	Pleasant	Sieben, H.	Waldorf
Ludeman	Nelson	Prahl	Simoneau	Weaver
Luknic	Niehaus	Redalen	Stadum	Welch
Mann	Norman	Reding	Stoa	Welker
McDonald	Novak	Rees	Stowell	Wenzel
McEachern	Nysether	Rice	Sviggum	Wieser
Mehrkens	Olsen	Rodriguez	Swanson	Wigley
Metzen	Onnen	Rose	Thiede	Wynia
Minne	Osthoff	Rothenberg	Tomlinson	Zubay
Moe	Otis	Sarna	Valan	Spkr. Norton

The bill was passed and its title agreed to.

S. F. No. 1749, A bill for an act relating to insurance; providing for the regulation of mass marketed life or health insurance; providing the commissioner with rule-making power on the subject of unfair methods and unfair or deceptive acts and practices; amending Minnesota Statutes 1978, Sections 72A.13; 72A.19; and 72A.41, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kaley	Nelson	Sherwood
Adams	Drew	Kalis	Niehaus	Sieben, H.
Ainley	Eken	Kelly	Norman	Sieben, M.
Albrecht	Elioff	Kempe	Novak	Simoneau
Anderson, B.	Ellingson	Knickerbocker	Nysether	Stadum
Anderson, D.	Erickson	Kostohryz	Olsen	Stoa
Anderson, G.	Esau	Kroening	Onnen	Stowell
Anderson, I.	Evans	Kvam	Otis	Sviggum
Anderson, R.	Ewald	Lehto	Patton	Swanson
Battaglia	Faricy	Levi	Pehler	Thiede
Begich	Fjoslien	Long	Peterson, B.	Tomlinson
Berglin	Forsythe	Ludeman	Piepho	Valan
Berkelman	Fritz	Luknic	Pleasant	Valento
Biersdorf	Fudro	Mann	Prahl	Vanasek
Blatz	Greenfield	McCarron	Redalen	Waldorf
Brinkman	Haukoos	McDonald	Reding	Weaver
Byrne	Heap	McEachern	Rees	Welch
Carlson, D.	Heinitz	Mehrkens	Reif	Welker
Carlson, L.	Hoberg	Metzen	Rice	Wenzel
Casserly	Hokanson	Minne	Rodriguez	Wieser
Clark	Jacobs	Moe	Rose	Wigley
Clawson	Jennings	Munger	Rothenberg	Wynia
Crandall	Johnson, C.	Murphy	Sarna	Zubay
Dean	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Jude	Nelsen, M.	Searle	

The bill was passed and its title agreed to.

S. F. No. 2195, A bill for an act relating to employment agencies; exempting certain medical doctor placement services from licensing provisions; amending Minnesota Statutes 1978, Section 184.21, Subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kalis	Niehaus	Sieben, H.
Adams	Eken	Kelly	Norman	Sieben, M.
Ainley	Elioff	Kempe	Novak	Simoneau
Albrecht	Ellingson	Knickerbocker	Nysether	Stoa
Anderson, B.	Erickson	Kostohryz	Olsen	Stowell
Anderson, D.	Esau	Kroening	Onnen	Sviggum
Anderson, G.	Evans	Kvam	Osthoff	Swanson
Anderson, I.	Ewald	Laidig	Otis	Thiede
Anderson, R.	Faricy	Lehto	Patton	Tomlinson
Battaglia	Fjoslien	Levi	Pehler	Valan
Begich	Forsythe	Long	Peterson, B.	Valento
Berglin	Fritz	Ludeman	Piepho	Vanasek
Berkelman	Fudro	Luknic	Pleasant	Voss
Biersdorf	Greenfield	Mann	Prahl	Waldorf
Blatz	Haukoos	McCarron	Redalen	Weaver
Brinkman	Heap	McDonald	Reding	Welch
Byrne	Heinitz	McEachern	Rees	Welker
Carlson, D.	Hoberg	Mehrkens	Reif	Wenzel
Carlson, L.	Hokanson	Metzen	Rice	Wieser
Casserly	Jacobs	Minne	Rodriguez	Wigley
Clark	Jennings	Moe	Rose	Wynia
Clawson	Johnson, C.	Munger	Rothenberg	Zubay
Corbid	Johnson, D.	Murphy	Sarna	Spkr. Norton
Dean	Jude	Nelsen, B.	Schreiber	
Dempsey	Kahn	Nelsen, M.	Searle	
Den Ouden	Kaley	Nelson	Sherwood	

The bill was passed and its title agreed to.

H. F. No. 2320 was reported to the House.

Long moved that H. F. No. 2320 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 1166 was reported to the House.

Osthoff moved that S. F. No. 1166 be placed at the bottom of Special Orders. The motion prevailed.

S. F. No. 1875 was reported to the House.

Zubay moved to amend S. F. No. 1875, as follows:

Page 2, line 15, delete "30 days" insert "90 days"

Page 2, after line 31, after "enactment" insert "and expires June 30, 1983"

Jacobs requested a division of the amendment.

The first portion of the amendment reads as follows :

Page 2, line 15, delete "30 days" insert "90 days"

The motion prevailed and the first portion of the amendment was adopted.

The second portion of the amendment reads as follows :

Page 2, after line 31, after "enactment" insert "and expires June 30, 1983"

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

S. F. No. 1875, A bill for an act relating to commerce; providing for ownership rights in dies and molds under certain conditions.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 9 nays as follows :

Those who voted in the affirmative were :

Aasness	Dean	Kahn	Nelson	Sieben, H.
Adams	Dempsey	Kaley	Niehaus	Sieben, M.
Ainley	Drew	Kelly	Norman	Simoneau
Albrecht	Eken	Kempe	Novak	Stadum
Anderson, B.	Elioff	Knickerbocker	Nysether	Stoa
Anderson, D.	Ellingson	Kostohryz	Osthoff	Stowell
Anderson, G.	Erickson	Kroening	Otis	Sviggum
Anderson, R.	Esau	Kvam	Patton	Swanson
Battaglia	Evans	Laidig	Pehler	Thiede
Begich	Ewald	Lehto	Peterson, B.	Tomlinson
Berglin	Faricy	Levi	Peterson, D.	Valan
Berkelman	Fjoslien	Luknic	Piepho	Vanasek
Biersdorf	Forsythe	Mann	Pleasant	Waldorf
Blatz	Fritz	McCarron	Prahl	Weaver
Brinkman	Fudro	McDonald	Redalen	Welch
Byrne	Greenfield	McEachern	Reding	Wenzel
Carlson, D.	Haukoos	Mehrkens	Rees	Wieser
Carlson, L.	Heinitz	Metzen	Reif	Wigley
Casserly	Hoberg	Minne	Rice	Wynia
Clark	Hokanson	Moe	Rodriguez	Zubay
Clawson	Johnson, C.	Munger	Rose	Spkr. Norton
Corbid	Johnson, D.	Murphy	Sarna	
Crandall	Jude	Nelsen, B.	Sherwood	

Those who voted in the negative were:

Den Ouden	Jennings	Olsen	Rothenberg	Welker
Heap	Ludeman	Onnen	Valento	

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

S. F. No. 1842 was reported to the House.

Stowell moved to amend S. F. No. 1842 as follows:

Page 7, line 20, after the comma, delete the new language

Page 7, line 21, delete "spaces,"

Page 7, line 30, before the period insert "*or facilities in which the party storing goods rents and occupies space as a tenant and the entire risk of loss is with the tenant pursuant to written contract between the landlord and tenant*"

And further, amend the title as follows:

Page 1, line 2, after the semicolon, insert "clarifying definition of warehouseman;"

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete "obsolete language;"

The motion prevailed and the amendment was adopted.

Stowell moved to amend S. F. No. 1842, as amended, as follows:

Pages 3 to 7, delete all of sections 4 and 5

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "Sections" and insert "Section"

Page 1, lines 6 and 7, delete "and 218.041, Subdivisions 3 and 4,"

Page 1, line 8, delete "Section" and insert "Sections"

The motion prevailed and the amendment was adopted.

S. F. No. 1842, A bill for an act relating to agriculture; requiring denaturing and labeling of certain foods; adopting certain federal food regulations; striking certain obsolete language; changing certain procedures; amending Minnesota Statutes 1978, Sections 31.02; and 218.041, Subdivisions 3 and 4; and Minnesota Statutes, 1979 Supplement, Section 31.101, Subdivision 8; and 231.01, Subdivision 5.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Kahn	Nelsen, M.	Sherwood
Adams	Den Ouden	Kaley	Nelson	Sieben, H.
Ainley	Drew	Kalis	Niehaus	Sieben, M.
Albrecht	Eken	Kelly	Norman	Simoneau
Anderson, B.	Elioff	Kempe	Novak	Stadum
Anderson, D.	Ellingson	Knickerbocker	Nysether	Stoa
Anderson, G.	Erickson	Kostohryz	Olsen	Stowell
Anderson, I.	Esau	Kroening	Onnen	Sviggum
Anderson, R.	Evans	Kvam	Osthoff	Swanson
Battaglia	Ewald	Laidig	Otis	Thiede
Begich	Faricy	Lehto	Patton	Tomlinson
Berglin	Fjoslien	Long	Pehler	Valan
Berkelman	Forsythe	Ludeman	Peterson, B.	Valento
Biersdorf	Fritz	Luknic	Peterson, D.	Vanasek
Blatz	Fudro	Mann	Piepho	Waldorf
Brinkman	Greenfield	McCarron	Pleasant	Weaver
Byrne	Heap	McDonald	Prahl	Welch
Carlson, D.	Heinitz	McEachern	Redalen	Welker
Carlson, L.	Hoberg	Mehrkens	Reding	Wenzel
Casserly	Hokanson	Metzen	Rees	Wieser
Clark	Jacobs	Minne	Reif	Wigley
Clawson	Jennings	Moe	Rice	Wynia
Corbid	Johnson, C.	Munger	Rodriguez	Zubay
Crandall	Johnson, D.	Murphy	Rothenberg	Spkr. Norton
Dean	Jude	Neisen, B.	Sarna	

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

S. F. No. 1541, A bill for an act relating to transportation; abolishing the functions, powers and duties of the department of transportation relating to the inspection, grading, sampling and analysis of hay and straw; clarifying laws relating to the regulation of railroads and removing obsolete and duplicative language; prescribing certain powers of the commissioner of transportation and the public service commission relating to rates and charges; requiring track scales, and regulating the weighing of railroad cars and freight; providing for railroad grade crossing safety devices and other safety devices; prescribing penalties; amending Minnesota Statutes 1978, Sections 218.011, Subdivision 2; 218.021; 218.031, Subdivision 1; 218.041; 219.01; 219.08; 219.10; 219.14; 219.17; 219.19; 219.23; 219.28; 219.383, Subdivision 4; 219.39; 219.40; 219.403; 219.47; 219.50; 219.52; 219.54; 219.64; 219.70; 219.741; 219.85; 219.92; 219.97, Subdivision 7; Chapters 25, by adding sections; 219, by adding sections; and 239, by adding a section; repealing Minnesota Statutes 1978, Sections 219.02; 219.03; 219.04; 219.05; 219.07; 219.11; 219.12; 219.25; 219.43; 219.58; 219.59; 219.60; 219.61; 219.62; 219.63; 219.65; 219.66; 219.67; 219.84; 219.86; 219.87; 219.89; 219.90; 219.91; 219.94; 219.95; 219.96; 219.97, Subdivisions 1, 2, 3, 8, 9, 11, 14, 15 and 16; 222.38; 222.39; 222.-

40; 222.41; 222.42; 222.43; 222.44; 222.45; 229.01; 229.02; 229.03; 229.04; 229.05; 229.06; 229.07; 229.08; 229.10; 229.11; 229.12; 229.13; 229.14; 229.15; 229.16; 229.17; 229.18; 229.19; 229.20; and 452.14.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Jude	Nelsen, M.	Sieben, M.
Adams	Drew	Kahn	Nelson	Simoneau
Ainley	Eken	Kaley	Niehaus	Stadum
Albrecht	Elioff	Kalis	Norman	Stoa
Anderson, B.	Ellingson	Kelly	Novak	Stowell
Anderson, D.	Erickson	Kempe	Nysether	Swiggum
Anderson, G.	Esau	Knickerbocker	Olsen	Swanson
Anderson, I.	Evans	Kostohryz	Onnen	Thiede
Anderson, R.	Ewald	Kroening	Osthoff	Tomlinson
Battaglia	Faricy	Kvam	Otis	Valan
Begich	Fjoslien	Laidig	Patton	Valento
Berglin	Forsythe	Lehto	Pehler	Vanasek
Berkelman	Fritz	Long	Peterson, B.	Waldorf
Biersdorf	Fudro	Ludeman	Piepho	Weaver
Blatz	Greenfield	Luknic	Pleasant	Welch
Brinkman	Halberg	Mann	Prahl	Welker
Byrne	Haukoos	McCarron	Redalen	Wenzel
Carlson, D.	Heap	McDonald	Reding	Wieser
Carlson, L.	Heinitz	McEachern	Rees	Wigley
Casserly	Hoberg	Mehrkens	Reif	Wynia
Clark	Hokanson	Metzen	Rice	Zubay
Clawson	Jacobs	Minne	Rodriguez	Spkr. Norton
Corbid	Jaros	Moe	Rothenberg	
Crandall	Jennings	Munger	Sarna	
Dean	Johnson, C.	Murphy	Sherwood	
Dempsey	Johnson, D.	Nelsen, B.	Sieben, H.	

The bill was passed and its title agreed to.

S. F. No. 1922, A bill for an act relating to financial institutions; permitting banks or trust companies to invest up to 20 percent of their capital and surplus in certain agricultural credit corporations; amending Minnesota Statutes 1978, Section 48.61, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Ainley	Anderson, B.	Anderson, G.	Anderson, R.
Adams	Albrecht	Anderson, D.	Anderson, I.	Battaglia

Begich	Ewald	Kostohryz	Nysether	Sieben, M.
Berglin	Faricy	Kroening	Olsen	Simoneau
Berkelman	Fjoslien	Kvam	Onnen	Stadum
Biersdorf	Forsythe	Laidig	Osthoff	Stoa
Blatz	Fritz	Lehto	Otis	Stowell
Brinkman	Fudro	Levi	Patton	Swanson
Byrne	Greenfield	Long	Pehler	Thiede
Carlson, D.	Halberg	Ludeman	Peterson, B.	Tomlinson
Carlson, L.	Haukoos	Luknic	Peterson, D.	Valan
Casserly	Heap	Mann	Piepho	Valento
Clark	Heinitz	McCarron	Pleasant	Vanasek
Clawson	Hoberg	McDonald	Prahl	Voss
Corbid	Jacobs	McEachern	Redalen	Waldorf
Crandall	Jaros	Mehrkens	Reding	Weaver
Dean	Jennings	Metzen	Rees	Welch
Dempsey	Johnson, C.	Moe	Reif	Welker
Den Ouden	Johnson, D.	Munger	Rice	Wenzel
Drew	Jude	Murphy	Rodriguez	Wieser
Eken	Kahn	Nelsen, B.	Rose	Wigley
Elioff	Kaley	Nelsen, M.	Rothenberg	Wynia
Ellingson	Kalis	Nelson	Sarna	Zubay
Erickson	Kelly	Niehaus	Schreiber	Spkr. Norton
Esau	Kempe	Norman	Sherwood	
Evans	Knickerbocker	Novak	Sieben, H.	

The bill was passed and its title agreed to.

S. F. No. 1811, A bill for an act relating to transportation; excluding minor pipeline relocations from certain easement or right-of-way agreement provisions; amending Minnesota Statutes, 1979 Supplement, Section 116I.01, Subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Corbid	Heinitz	Ludeman	Otis
Adams	Crandall	Hoberg	Luknic	Patton
Ainley	Dean	Hokanson	Mann	Pehler
Albrecht	Dempsey	Jacobs	McCarron	Peterson, B.
Anderson, B.	Den Ouden	Jaros	McDonald	Peterson, D.
Anderson, D.	Drew	Jennings	McEachern	Piepho
Anderson, G.	Eken	Johnson, C.	Mehrkens	Pleasant
Anderson, I.	Elioff	Johnson, D.	Metzen	Prahl
Anderson, R.	Ellingson	Jude	Minne	Redalen
Battaglia	Erickson	Kahn	Moe	Reding
Begich	Esau	Kaley	Munger	Rees
Berglin	Evans	Kalis	Murphy	Reif
Berkelman	Ewald	Kelly	Nelsen, B.	Rice
Biersdorf	Faricy	Kempe	Nelsen, M.	Rodriguez
Blatz	Fjoslien	Knickerbocker	Nelson	Rose
Brinkman	Forsythe	Kostohryz	Niehaus	Rothenberg
Byrne	Fritz	Kroening	Norman	Sarna
Carlson, D.	Fudro	Kvam	Novak	Searle
Carlson, L.	Greenfield	Laidig	Nysether	Sherwood
Casserly	Halberg	Lehto	Olsen	Sieben, H.
Clark	Haukoos	Levi	Onnen	Sieben, M.
Clawson	Heap	Long	Osthoff	Simoneau

Stadum	Tomlinson	Voss	Welker	Wynia
Stoa	Valan	Waldorf	Wenzel	Zubay
Stowell	Valento	Weaver	Wieser	Spkr. Norton
Swanson	Vanasek	Welch	Wigley	

The bill was passed and its title agreed to.

S. F. No. 1772 was reported to the House.

McEachern offered an amendment to S. F. No. 1772.

POINT OF ORDER

Nelsen, B., raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Johnson, C., ruled the point of order well taken and the amendment out of order.

S. F. No. 1772, A bill for an act relating to highway traffic regulations; authorizing an annual permit for certain oversize vehicles transporting implements of husbandry; prescribing limitations on the use of the vehicles; amending Minnesota Statutes 1978, Section 169.80, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kalis	Niehaus	Sherwood
Adams	Elioff	Kelly	Norman	Sieben, H.
Ainley	Ellingson	Kempe	Novak	Sieben, M.
Albrecht	Erickson	Knickerbocker	Nysether	Simoneau
Anderson, B.	Esau	Kostohryz	Olsen	Stadum
Anderson, D.	Evans	Kroening	Onnen	Stoa
Anderson, G.	Ewald	Kvam	Osthoff	Stowell
Anderson, I.	Faricy	Laidig	Otis	Swanson
Anderson, R.	Fjoslien	Lehto	Patton	Thiede
Battaglia	Forsythe	Levi	Pehler	Tomlinson
Begich	Friedrich	Long	Peterson, B.	Valan
Berglin	Fritz	Ludeman	Peterson, D.	Valento
Berkelman	Fudro	Luknic	Piepho	Vanasek
Biersdorf	Greenfield	Mann	Pleasant	Voss
Blatz	Halberg	McCarron	Prahl	Waldorf
Brinkman	Haukoos	McDonald	Redalen	Weaver
Byrne	Hoberg	McEachern	Reding	Welch
Carlson, D.	Hokanson	Mehrkens	Rees	Welker
Carlson, L.	Jacobs	Metzen	Reif	Wenzel
Clark	Jaros	Minne	Rice	Wieser
Clawson	Jennings	Moe	Rodriguez	Wigley
Crandall	Johnson, C.	Munger	Rose	Wynia
Dean	Johnson, D.	Murphy	Rothenberg	Zubay
Dempsey	Jude	Nelsen, B.	Sarna	Spkr. Norton
Den Ouden	Kahn	Nelsen, M.	Schreiber	
Drew	Kaley	Nelson	Searle	

The bill was passed and its title agreed to.

S. F. No. 1813 was reported to the House.

Den Ouden moved to amend S. F. No. 1813 as follows:

Page 2, line 18, before the semicolon insert “, *unless prohibited by local zoning ordinance*”

The motion prevailed and the amendment was adopted.

S. F. No. 1813, A bill for an act relating to mobile homes; permitting the sale of mobile homes from a residence; amending Minnesota Statutes 1978, Section 327.55, Subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Norman	Sieben, M.
Adams	Eken	Kalis	Novak	Simoneau
Ainley	Elioff	Kelly	Nysether	Stadum
Albrecht	Ellingson	Kempe	Olsen	Stoa
Anderson, B.	Erickson	Kostohryz	Onnen	Stowell
Anderson, D.	Esau	Kroening	Osthoff	Swanson
Anderson, G.	Evans	Kvam	Otis	Thiede
Anderson, I.	Ewald	Laidig	Patton	Tomlinson
Anderson, R.	Faricy	Lehto	Pehler	Valan
Battaglia	Fjoslien	Levi	Peterson, B.	Valento
Begich	Forsythe	Long	Peterson, D.	Vanasek
Berglin	Friedrich	Ludeman	Piepho	Voss
Berkelman	Fritz	Luknic	Pleasant	Waldorf
Blatz	Fudro	Mann	Prahl	Weaver
Brinkman	Greenfield	McDonald	Redalen	Welch
Byrne	Halberg	McEachern	Reding	Welker
Carlson, D.	Heinitz	Mehrkens	Rees	Wenzel
Carlson, L.	Hoberg	Metzen	Reif	Wieser
Casserly	Hokanson	Minne	Rice	Wigley
Clark	Jacobs	Moe	Rodriguez	Wynia
Clawson	Jaros	Munger	Rose	Zubay
Corbid	Jennings	Murphy	Rothenberg	Spkr. Norton
Crandall	Johnson, C.	Nelsen, B.	Sarna	
Dean	Johnson, D.	Nelsen, M.	Schreiber	
Dempsey	Jude	Nelson	Sherwood	
Den Ouden	Kahn	Niehaus	Sieben, H.	

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

S. F. No. 1937 was reported to the House.

Byrne moved to amend S. F. No. 1937 as follows:

Page 2, after line 2, insert:

"Sec. 2. Minnesota Statutes 1978, Section 171.04, is amended to read:

171.04 [PERSONS NOT ELIGIBLE FOR DRIVER'S LICENSES.] The department shall not issue a driver's license hereunder:

(1) To any person who is under the age of 16 years; to any person under 18 years unless such person shall have successfully completed a course in driver education, including both classroom and behind-the-wheel instruction, approved by the department of public safety or, in the case of a course offered by a private, commercial driver education school or institute employing driver education instructors, by the department of public safety, except when such person has completed a course of driver education in another state or has a previously issued valid license from another state or country; nor to any person under 18 years unless the application of license is approved by either parent when both reside in the same household as the minor applicant, otherwise the parent having custody or with whom the minor is living in the event there is no court order for custody, or guardian having the custody of such minor, or in the event a person under the age of 18 has no living father, mother or guardian, the license shall not be issued to such person unless his application therefor is approved by his employer. Behind-the-wheel driver education courses offered in any public school shall be open for enrollment to persons between the ages of 15 and 18 years residing in the school district or attending school therein. Any public school offering behind-the-wheel driver education courses may charge an enrollment fee for the behind-the-wheel driver education course which shall not exceed the actual cost thereof to the public school and the school district. The approval required herein shall contain a verification of the age of the applicant;

(2) To any person whose license has been suspended during the period of suspension except that a suspended license may be reinstated during the period of suspension upon the licensee furnishing proof of financial responsibility in the same manner as provided in the Minnesota no-fault automobile insurance act;

(3) To any person whose license has been revoked except upon furnishing proof of financial responsibility in the same manner as provided in the Minnesota no-fault automobile insurance act and if otherwise qualified;

(4) To any person who is an habitual drunkard as determined by competent authority or is addicted to the use of narcotic drugs;

(5) To any person who has been adjudged legally incompetent by reason of mental illness, mental deficiency, or inebriation, and has not been restored to capacity, unless the department is

satisfied that such person is competent to operate a motor vehicle with safety to persons or property;

(6) To any person who is required by this chapter to take an examination, unless such person shall have successfully passed such examination;

(7) To any person who is required under the provisions of the Minnesota no-fault automobile insurance act of this state to deposit proof of financial responsibility and who has not deposited such proof;

(8) To any person when the commissioner has good cause to believe that the operation of a motor vehicle on the highways by such person would be inimical to public safety or welfare.

(9) To any person when, in the opinion of the commissioner, such person is afflicted with or suffering from such physical or mental disability or disease as will affect such person in a manner to prevent him from exercising reasonable and ordinary control over a motor vehicle while operating the same upon the highways; nor to a person who is unable to read and understand official signs regulating, warning and directing traffic. *Whenever a physician is aware of any physical or mental injury, condition or disability which may affect a person's ability to operate a motor vehicle safely, the physician shall immediately report the problem to the Commissioner of Public Safety.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring a physician to report certain disabilities which may affect a person's driving ability to the commissioner of public safety;"

Page 1, line 6, delete "Section" and insert "Sections"

Page 1, line 7, after "2" insert "; and 171.04"

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

Haukoos moved to amend S. F. No. 1937, as follows:

Page 2, before line 3, insert:

"Sec. 2. Minnesota Statutes 1978, Section 171.07, is amended by adding a subdivision to read:

Subd. 3a. A Minnesota identification card issued to an applicant 65 years of age or over shall be of a distinguishing color and plainly marked "senior". The fee for the card issued to an applicant 65 years of age or over shall be one half the required fee for a class C driver's license. A Minnesota identification card or a Minnesota driver's license issued to a person 65 years of age or over shall be valid identification for the purpose of qualifying for reduced rates, free licenses or services provided by any board, commission, agency or institution that is wholly or partially funded by state appropriations.

Sec. 3. Minnesota Statutes 1978, Section 171.07, Subdivision 1, is amended to read:

171.07 [DEPARTMENT TO ISSUE LICENSE AND NON-QUALIFICATION CERTIFICATES; ANATOMICAL GIFT INDICATION.] Subdivision 1. The department shall, upon the payment of the required fee, issue to every applicant qualifying therefor a license designating the type or class of vehicles he is authorized to drive as applied for, which license shall bear thereon a distinguishing number assigned to the licensee, the full name, date of birth, residence address, a description of the licensee in such manner as the commissioner deems necessary, and a space upon which the licensee shall write his usual signature with pen and ink. No license shall be valid until it has been so signed by the licensee. Except in the case of an instruction permit, every license shall bear thereon a colored photograph of the licensee. Every license issued to an applicant under the age of 18 shall be of a distinguishing color and plainly marked "provisional." The department shall use such process or processes in the issuance of licenses that prohibits as near as possible, the ability to alter or reproduce the licenses or prohibit the ability to superimpose a photo on such licenses without ready detection. Each license certificate issued shall be on an all plastic or laminated plastic card with the identifying information embossed thereon. *A license issued to an applicant of age 65 or over shall be plainly marked "senior" if requested by the applicant.*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "providing for distinctive Minnesota identification cards and driver's licenses for senior citizens and providing for their use for certain identification purposes;"

Page 1, line 7, before the period insert "; 171.07, Subdivision 1, and by adding a subdivision"

The motion prevailed and the amendment was adopted.

S. F. No. 1937, A bill for an act relating to drivers licenses; authorizing instruction permit holders to operate a motor vehicle while receiving behind the wheel training when accompanied by licensed adults; amending Minnesota Statutes 1978, Section 171.05, Subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Nelsen, B.	Sarna
Adams	Eken	Kahn	Nelsen, M.	Schreiber
Ainley	Elioff	Kaley	Nelson	Sherwood
Albrecht	Ellingson	Kalis	Niehaus	Sieben, H.
Anderson, B.	Erickson	Kelly	Norman	Sieben, M.
Anderson, D.	Esau	Kempe	Novak	Simoneau
Anderson, G.	Evans	Knickerbocker	Nysether	Stadum
Anderson, I.	Ewald	Kostohryz	Olsen	Stoa
Anderson, R.	Faricy	Kroening	Onnen	Stowell
Battaglia	Fjoslien	Kvam	Osthoff	Sviggum
Begich	Forsythe	Laidig	Otis	Swanson
Berglin	Friedrich	Lehto	Patton	Thiede
Berkelman	Fritz	Levi	Pehler	Tomlinson
Biersdorf	Fudro	Long	Peterson, B.	Valan
Blatz	Greenfield	Ludeman	Peterson, D.	Valento
Brinkman	Halberg	Luknic	Piepho	Vanasek
Byrne	Haukoos	Mann	Pleasant	Waldorf
Carlson, D.	Heap	McCarron	Prahl	Weaver
Carlson, L.	Heinitz	McDonald	Redalen	Welch
Clark	Hoberg	McEachern	Reding	Welker
Clawson	Hokanson	Mehrkens	Rees	Wenzel
Corbid	Jacobs	Metzen	Reif	Wieser
Crandall	Jaros	Minne	Rice	Wigley
Dean	Jennings	Moe	Rodriguez	Wynia
Dempsey	Johnson, C.	Munger	Rose	Zubay
Den Ouden	Johnson, D.	Murphy	Rothenberg	Spkr. Norton

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

S. F. No. 2090 was reported to the House.

Patton moved to amend S. F. No. 2090, as follows:

Page 2, line 14, after "owner" insert "or lessee"

The motion prevailed and the amendment was adopted.

Redalen, Stadum, Mann, Kalis and Fjoslien moved to amend S. F. No. 2090, as follows:

Page 1, line 23, after the period insert: "*The provisions of section 1 do not apply to the transportation of unprocessed or raw farm products from the place of production to market provided the transportation constitutes the first haul of the products.*"

The motion prevailed and the amendment was adopted.

S. F. No. 2090, A bill for an act relating to transportation; allowing the use of certain documents as relevant evidence of exceeding vehicle weight limits; requiring record keeping for shipments unloaded; imposing civil penalties; amending Minnesota Statutes 1978, Chapter 169, by adding sections.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Kaley	Nelsen, M.	Sarna
Adams	Den Ouden	Kelly	Nelson	Schreiber
Ainley	Drew	Kempe	Norman	Sherwood
Albrecht	Elioff	Knickerbocker	Novak	Sieben, H.
Anderson, I.	Ellingson	Kostohryz	Olsen	Sieben, M.
Anderson, R.	Evans	Kroening	Onnen	Simoneau
Battaglia	Ewald	Kvam	Osthoff	Stoa
Begich	Fariy	Lehto	Otis	Stowell
Berglin	Forsythe	Levi	Patton	Swanson
Berkelman	Fritz	Long	Pehler	Thiede
Biersdorf	Fudro	Luknic	Peterson, B.	Tomlinson
Blatz	Greenfield	Mann	Peterson, D.	Vanasek
Brinkman	Haukoos	McCarron	Piepho	Voss
Byrne	Heap	McDonald	Pieasant	Waldorf
Carlson, D.	Heinitz	McEachern	Prahl	Weaver
Carlson, L.	Hoberg	Mehrrens	Redalen	Welch
Casserly	Hokanson	Metzen	Rees	Wenzel
Clark	Jacobs	Minne	Reif	Wieser
Clawson	Jaros	Moe	Rice	Wynia
Corbid	Johnson, C.	Munger	Rodriguez	Zubay
Crandall	Jude	Murphy	Rose	Spkr. Norton
Dean	Kahn	Nelsen, B.	Rothenberg	

Those who voted in the negative were:

Anderson, D.	Erickson	Jennings	Nysether	Valan
Anderson, G.	Esau	Kalis	Stadum	Welker
Eken	Fjoslien	Niehaus	Sviggum	Wigley

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

S. F. No. 1679, A bill for an act relating to transportation; permitting certain exemptions from motor carrier reporting requirements; requiring driver qualifications and safety requirements for certain carriers; creating a single annual renewal date for holders of multiple permits; permitting issuance of "floater" identification cards to motor carriers; clarifying enforcement powers; amending Minnesota Statutes 1978, Sections 221.031, Subdivision 1; 221.131; 221.221; and Minnesota Statutes, 1979 Supplement, Section 221.011, Subdivision 22.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kaley	Niehaus	Sherwood
Adams	Drew	Kalis	Norman	Sieben, H.
Ainley	Eken	Kelly	Novak	Sieben, M.
Albrecht	Elioff	Kempe	Nysether	Simoneau
Anderson, B.	Erickson	Knickerbocker	Olsen	Stadum
Anderson, D.	Esau	Kostohryz	Onnen	Stoa
Anderson, G.	Evans	Kroening	Osthoff	Stowell
Anderson, I.	Ewald	Kvam	Otis	Sviggum
Anderson, R.	Faricy	Lehto	Patton	Swanson
Battaglia	Fjoslien	Levi	Pehler	Thiede
Begich	Forsythe	Long	Peterson, B.	Tomlinson
Berglin	Friedrich	Ludeman	Peterson, D.	Valan
Berkelman	Fritz	Luknic	Piepho	Valento
Biersdorf	Fudro	Mann	Pleasant	Vanasek
Blatz	Greenfield	McCarron	Prahl	Voss
Brinkman	Halberg	McDonald	Redalen	Waldorf
Byrne	Haukoos	McEachern	Reding	Weaver
Carlson, D.	Heap	Mehrkens	Rees	Welch
Carlson, L.	Heinitz	Metzen	Reif	Welker
Casserly	Hoberg	Moe	Rice	Wenzel
Clark	Jacobs	Munger	Rodriguez	Wieser
Clawson	Jennings	Murphy	Rose	Wigley
Crandall	Johnson, D.	Nelsen, B.	Rothenberg	Wynia
Dean	Jude	Nelsen, M.	Sarna	Zubay
Dempsey	Kahn	Nelson	Schreiber	Spkr. Norton

The bill was passed and its title agreed to.

S. F. No. 2110 was reported to the House.

McCarron, Valento, Voss and Novak moved to amend S. F. No. 2110 as follows:

Page 2, after line 1, insert:

“Sec. 2. Notwithstanding any other law, the metropolitan airports commission shall not use revenue from any source, as described by Minnesota Statutes, Section 473.608, for construction of air facilities to expand or upgrade the use of an existing metropolitan airport from minor use to intermediate use status as defined by the metropolitan development guide, aviation chapter, adopted pursuant to Minnesota Statutes, Section 473.145.”

Renumber the section in sequence

Further, amend the title as follows:

Page 1, line 4, after "commission" insert "; restricting the use of certain metropolitan airports commission revenue"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 49 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kaley	Osthoff	Swiggum
Anderson, R.	Esau	Kostohryz	Pehler	Swanson
Berkelman	Fjoslien	Luknic	Peterson, D.	Valento
Blatz	Fritz	Mann	Prahl	Voss
Brinkman	Greenfield	McCarron	Reif	Waldorf
Byrne	Halberg	McDonald	Rose	Welch
Carlson, L.	Heinitz	Metzen	Sarna	Wieser
Corbid	Hoberg	Munger	Searle	Zubay
Crandall	Hokanson	Norman	Simoneau	Spkr. Norton
Drew	Kahn	Novak	Stadum	

Those who voted in the negative were:

Adams	Den Ouden	Jude	Nelson	Schreiber
Ainley	Eken	Kalis	Niehaus	Sherwood
Albrecht	Elioff	Kelly	Nysether	Sieben, H.
Anderson, B.	Erickson	Kempe	Olsen	Sieben, M.
Anderson, D.	Evans	Knickerbocker	Onnen	Stoa
Anderson, G.	Ewald	Kroening	Otis	Stowell
Anderson, I.	Faricy	Kvam	Patton	Thiede
Battaglia	Friedrich	Levi	Peterson, B.	Tomlinson
Begich	Fudro	Ludeman	Piepho	Valan
Berglin	Haukoos	McEachern	Pleasant	Vanasek
Biersdorf	Heap	Mehrkens	Redalen	Weaver
Carlson, D.	Jacobs	Minne	Reding	Welker
Casserly	Jaros	Moe	Rees	Wenzel
Clawson	Jennings	Murphy	Rice	Wigley
Dean	Johnson, C.	Nelsen, B.	Rodriguez	Wynia
Dempsey	Johnson, D.	Nelsen, M.	Rothenberg	

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

Norman moved to amend S. F. No. 2110, as follows:

Page 2, after line 1, insert:

"Sec. 2. Minnesota Statutes 1978, Section 473.608, Subdivision 20, is amended to read:

Subd. 20. Subject to the final enactment of the Airport and Airways Development Act Amendments of 1975 the corporation shall install aircraft noise suppressing equipment at the ground run-up operation sites of the Minneapolis-St. Paul International Airport. All such aircraft noise suppressing equipment shall conform to specifications approved by the pollution control agency. The pollution control agency shall determine the deadline for

design selection and installation of the aircraft noise suppressing equipment; provided the deadline for design selection shall be no later than December 31, 1980."

Renumber the section in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "setting deadlines for design selection and installation of aircraft noise suppressing equipment;"

Page 1, line 5, delete "Section" and insert "Sections 473.608, Subdivision 20; and"

The motion prevailed and the amendment was adopted.

S. F. No. 2110, A bill for an act relating to metropolitan government; providing for the maximum amount of the borrowing authorization of the metropolitan airports commission; amending Minnesota Statutes 1978, Section 473.667, Subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Niehaus	Sherwood
Adams	Eken	Kahn	Norman	Sieben, H.
Ainley	Elioff	Kaley	Novak	Sieben, M.
Anderson, B.	Ellingson	Kalis	Nysether	Stadum
Anderson, D.	Erickson	Kelly	Olsen	Stoa
Anderson, G.	Esau	Kempe	Onnen	Sviggum
Anderson, I.	Evans	Knickerbocker	Osthoff	Swanson
Anderson, R.	Ewald	Kostohryz	Otis	Thiede
Battaglia	Faricy	Kroening	Patton	Tomlinson
Begich	Fjoslien	Kvam	Pehler	Valan
Berglin	Forsythe	Lehto	Peterson, B.	Valento
Berkelman	Friedrich	Levi	Peterson, D.	Vanasek
Biersdorf	Fritz	Long	Piepho	Voss
Blatz	Fudro	Luknic	Pleasant	Waldorf
Brinkman	Greenfield	Mann	Prahl	Weaver
Byrne	Halberg	McDonald	Redalen	Welch
Carlson, D.	Haukoos	McEachern	Reding	Welker
Carlson, L.	Heap	Mehrkens	Rees	Wenzel
Cassery	Heinitz	Metzen	Reif	Wieser
Clark	Hoberg	Minne	Rice	Wigley
Clawson	Hokanson	Moe	Rodriguez	Wynia
Corbid	Jacobs	Munger	Rose	Zubay
Crandall	Jaros	Murphy	Rothenberg	Spkr. Norton
Dean	Jennings	Nelsen, B.	Sarna	
Dempsey	Johnson, C.	Nelsen, M.	Schreiber	
Den Ouden	Johnson, D.	Nelson	Searle	

Those who voted in the negative were:

McCarron Simoneau

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

S. F. No. 1240, A bill for an act relating to natural resources; setting forth the rights of property owners whose property is purchased for conservation purposes; revising responsibilities of the commissioner of natural resources and the commissioner of administration in property acquisition; authorizing the commissioner of natural resources, with the approval of the state executive council to convey the interests of the state in lands for the purpose of correcting boundary description errors; amending Minnesota Statutes 1978, Sections 84.0272; 85.012, Subdivision 1; 85.015, Subdivision 1; 85.021, Subdivisions 1 and 2; and 104.37, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Johnson, D.	Nelsen, M.	Sieben, H.
Adams	Drew	Jude	Nelson	Sieben, M.
Ainley	Eken	Kahn	Niehaus	Simoneau
Albrecht	Elioff	Kaley	Norman	Stadum
Anderson, B.	Ellingson	Kalis	Novak	Stoa
Anderson, D.	Erickson	Kelly	Nysether	Sviggum
Anderson, G.	Esau	Kempe	Onnen	Swanson
Anderson, I.	Evans	Knickerbocker	Osthoff	Thiede
Anderson, R.	Ewald	Kostohryz	Otis	Tomlinson
Battaglia	Faricy	Kroening	Patton	Valan
Begich	Fjoslien	Lehto	Pehler	Valento
Berglin	Forsythe	Levi	Peterson, B.	Vanasek
Berkelman	Friedrich	Long	Peterson, D.	Voss
Biersdorf	Fritz	Ludeman	Piepho	Waldorf
Blatz	Fudro	Luknic	Pleasant	Weaver
Brinkman	Greenfield	Mann	Prahl	Welch
Byrne	Halberg	McCarron	Redalen	Wenzel
Carlson, D.	Haukoos	McDonald	Reding	Wieser
Carlson, L.	Heap	McEachern	Rees	Wigley
Casserly	Heinitz	Mehrkens	Rice	Wynia
Clark	Hoberg	Metzen	Rodriguez	Zubay
Clawson	Hokanson	Minne	Rose	Spkr. Norton
Corbid	Jacobs	Moe	Rothenberg	
Crandall	Jaros	Munger	Sarna	
Dean	Jennings	Murphy	Searle	
Dempsey	Johnson, C.	Nelsen, B.	Sherwood	

The bill was passed and its title agreed to.

S. F. No. 1619 was reported to the House.

Osthoff moved to amend S. F. No. 1619, the unofficial engrossment, as follows:

Page 5, after line 12, insert a section to read:

“Sec. 4. Minnesota Statutes 1978, Section 471.345, is amended by adding a subdivision to read:

Subd. 8. [PROCUREMENT FROM SOCIALLY OR ECONOMICALLY DISADVANTAGED PERSONS.] For purposes of this subdivision, the following terms shall have the meanings herein ascribed to them:

(a) *“socially and economically disadvantaged person” means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage. This disadvantage may arise from cultural, social or economic circumstances or background, physical location if the person resides or is employed in an area declared as a labor surplus area by the United States department of commerce, physical handicap, or other similar cause.*

(b) *“business entity” means an entity organized for profit, including an individual, partnership, corporation, joint venture, association, or cooperative.*

Nothing in this section shall be construed to prohibit any municipality from adopting a resolution, rule, regulation or ordinance which on an annual basis designates and sets aside for awarding to business entities controlled by socially or economically disadvantaged persons a percentage of the value of its anticipated total procurement of goods and services, including construction, and which uses either a negotiated price or bid contract procedure in the awarding of a procurement contract under a set-aside program as allowed in this subdivision, provided that any award based on a negotiated price shall not exceed by more than five percent the municipality's estimated price for the goods and services if they were purchased on the open market and not under the set-aside program.”

Renumber the remaining sections accordingly.

Further amend the title:

Page 1, line 2, delete “the transit” and insert “public administration”

Page 1, line 7, after “debt;” insert “authorizing certain municipal contracts with socially and economically disadvantaged persons;”

Page 1, line 8, after “Subdivision 1;” insert “471.345, by adding a subdivision;”

The motion prevailed and the amendment was adopted.

Fritz offered an amendment to S. F. No. 1619.

POINTS OF ORDER

Osthoff raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Nelson offered an amendment to S. F. No. 1619.

Fritz raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 1619, A bill for an act relating to the metropolitan transit area; providing for contracts with socially or economically disadvantaged persons including handicapped persons; amending Minnesota Statutes 1978, Chapter 473, by adding a section.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kahn	Niehaus	Sieben, H.
Adams	Elioff	Kaley	Norman	Sieben, M.
Ainley	Ellingson	Kalis	Novak	Simoneau
Albrecht	Erickson	Kelly	Nysether	Stadum
Anderson, B.	Esau	Kempe	Olsen	Stoa
Anderson, D.	Evans	Knickerbocker	Onnen	Stowell
Anderson, G.	Ewald	Kostohryz	Osthoff	Sviggum
Anderson, I.	Faricy	Kroening	Otis	Swanson
Anderson, R.	Fjoslien	Laidig	Patton	Thiede
Battaglia	Forsythe	Lehto	Pehler	Tomlinson
Begich	Friedrich	Levi	Peterson, B.	Valan
Berglin	Fritz	Long	Peterson, D.	Valento
Berkelman	Fudro	Ludeman	Piepho	Vanasek
Biersdorf	Greenfield	Luknic	Prahl	Voss
Blatz	Halberg	Mann	Redalen	Waldorf
Brinkman	Haukoos	McCarron	Reding	Weaver
Byrne	Heap	McDonald	Rees	Welch
Carlson, D.	Heintz	McEachern	Reif	Wenzel
Carlson, L.	Hoberg	Mehrkens	Rice	Wieser
Casserly	Hokanson	Metzen	Rodriguez	Wigley
Clark	Jacobs	Minne	Rose	Wynia
Clawson	Jaros	Munger	Rothenberg	Zubay
Corbid	Jennings	Murphy	Sarna	Spkr. Norton
Dean	Johnson, C.	Nelsen, B.	Schreiber	
Dempsey	Johnson, D.	Nelsen, M.	Searle	
Drew	Jude	Nelson	Sherwood	

Those who voted in the negative were:

Den Ouden Kvam Welker

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

Heap was excused from 5:50 p.m. to 7:45 p.m.

S. F. No. 1665 was reported to the House.

Friedrich moved to amend S. F. No. 1665, as follows:

Page 4, line 8, delete "*plus an additional one percent per*"

Page 4, line 9, delete "*annum*"

The motion prevailed and the amendment was adopted.

S. F. No. 1665, A bill for an act relating to public contracts; providing for progress payments; authorizing alternative means of securing full performance; amending Minnesota Statutes 1978, Sections 161.322; 162.04; 162.10; and 429.041, Subdivision 6.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 105 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kempe	Nelson	Sarna
Adams	Evans	Knickerbocker	Norman	Sherwood
Ainley	Ewald	Kostohryz	Novak	Sieben, H.
Anderson, B.	Fjoslien	Kroening	Nysether	Sieben, M.
Anderson, I.	Friedrich	Kvam	Olsen	Simoneau
Anderson, R.	Fritz	Laidig	Onnen	Stadum
Berkelman	Fudro	Lehto	Osthoff	Stoa
Biersdorf	Halberg	Levi	Otis	Stowell
Blatz	Haukoos	Ludeman	Patton	Sviggum
Brinkman	Heinitz	Luknic	Pehler	Thiede
Byrne	Hoberg	Mann	Peterson, B.	Valan
Carlson, D.	Hokanson	McCarron	Peterson, D.	Valento
Carlson, L.	Jacobs	McDonald	Piepho	Vanasek
Clawson	Jaros	McEachern	Prahl	Waldorf
Crandall	Jennings	Mehrkens	Redalen	Weaver
Dean	Johnson, C.	Metzen	Reding	Welch
Dempsey	Johnson, D.	Moe	Rees	Welker
Den Ouden	Jude	Munger	Reif	Wenzel
Drew	Kaley	Murphy	Rodriguez	Wieser
Eken	Kalis	Nelsen, B.	Rose	Zubay
Elioff	Kelly	Nelsen, M.	Rothenberg	Spkr. Norton

Those who voted in the negative were:

Albrecht	Berglin	Forsythe	Niehaus	Tomlinson
Anderson, D.	Casserly	Greenfield	Pleasant	Voss
Anderson, G.	Erickson	Kahn	Rice	Wigley
Battaglia	Esau	Long	Schreiber	Wynia
Begich	Faricy	Minne	Swanson	

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

H. F. No. 2237 was reported to the House.

Murphy moved to amend H. F. No. 2237 as follows:

Page 2, line 12, delete the semicolon and insert a period

Page 2, after line 12 insert:

"Employees included as "public employees" pursuant to clauses (1) and (2) shall not be included under master contracts expiring June 30, 1981, for purposes of salary or fringe benefits;"

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE

On the motion of Novak and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Den Ouden	Jude	Nelsen, M.	Rothenberg
Adams	Drew	Kaley	Nelson	Schreiber
Ainley	Elioff	Kalis	Niehaus	Sherwood
Albrecht	Ellingson	Kelly	Norman	Sieben, H.
Anderson, B.	Erickson	Kempe	Novak	Simoneau
Anderson, D.	Esau	Kostohryz	Nysether	Stadum
Anderson, G.	Evans	Kroening	Olsen	Stowell
Anderson, I.	Ewald	Kvam	Onnen	Sviggum
Anderson, R.	Faricy	Laidig	Osthoff	Thiede
Battaglia	Fjoslien	Lehto	Otis	Tomlinson
Begich	Forsythe	Levi	Patton	Valan
Berglin	Friedrich	Long	Pehler	Valento
Berkelman	Fudro	Ludeman	Peterson, B.	Waldorf
Biersdorf	Greenfield	Luknic	Peterson, D.	Weaver
Blatz	Halberg	Mann	Piepho	Welch
Brinkman	Haukoos	McCarron	Pleasant	Welker
Byrne	Heinitz	McDonald	Prahl	Wenzel
Carlson, L.	Hoberg	McEachern	Redalen	Wieser
Casserly	Hokanson	Mehrkens	Reding	Wigley
Clark	Jacobs	Metzen	Rees	Wynia
Clawson	Jaros	Minne	Reif	Zubay
Corbid	Jennings	Moe	Rice	Sprk. Norton
Crandall	Johnson, C.	Murphy	Rodriguez	
Dempsey	Johnson, D.	Nelsen, B.	Rose	

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Novak; Anderson, R.; Simoneau; Jacobs; Pehler; Kelly; Reding; Sieben, H.; Anderson, I.; Murphy; Elioff and Kroening moved to amend H. F. No. 2237, as follows:

Page 2, after line 14, insert

"Sec. 2. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.78] [TEACHERS; NEGOTIATIONS; ARBITRATION.] *Subdivision 1. The provisions of this section shall govern the negotiation and arbitration of a collective bargaining agreement between the employer and the exclusive representative of the teachers. The provisions of sections 179.61 to 179.76 shall continue to govern the rights and obligations of teachers, their exclusive representative and their employer except to the extent that the provisions are inconsistent with the provisions of this section.*

Subd. 2. The employer and the exclusive representative of the teachers shall execute a written contract or memorandum of contract as provided in section 179.70 not later than July 1 of each odd-numbered year. Either party may petition the director of mediation services for assistance in reaching an agreement, as provided in section 179.69, subdivision 1. If the employer and the exclusive representative fail to execute a contract by July 1 of the odd-numbered year, they shall be conclusively presumed to be at an impasse.

Subd. 3. If a new or different exclusive representative is certified by the director at any time other than the period between 120 days before the termination date of a contract and the termination date of the contract, or if on July 1 of any odd-numbered year a representation proceeding involving the employer and the employer's teachers is before the director, the provisions of subdivision 2 shall not apply. In those cases, the employer and the exclusive representative of the teacher shall execute a written contract or memorandum of contract as provided in section 179.70 no later than 45 days after a certification by the director of a new or different exclusive representative or the resolution by the director of a representation proceeding. Either party may petition the director of mediation services for assistance in reaching an agreement, as provided in section 179.69, subdivision 1. If the employer and the exclusive representative fail to execute a contract by 45 days after the certification of a new or different exclusive representative or the resolution by the director of a representation proceeding, they shall be conclusively presumed to be at an impasse.

Subd. 4. Upon an impasse, either party may petition the director for binding arbitration. When a petition for binding arbitration is filed by either party and an impasse exists, the director shall notify the other party of the filing of a petition for binding arbitration. The other party shall have 15 days after notification of the filing of the petition to reject the request or to agree to submit matters not agreed upon to binding arbitra-

tion. If the other party does not respond within 15 days, the failure to respond shall be regarded as a refusal to submit to binding arbitration within the meaning of subdivision 5.

Subd. 5. Teachers shall have the right to strike and a defense to a charge of violating section 179.64 only under the following circumstances:

(a) The employer has violated section 179.68, subdivision 2, clause (9);

(b) Either party has refused a request by the other party for binding arbitration pursuant to this section; or

(c) Forty-five days after an impasse in contract negotiations, there is no agreement to submit the issues in dispute to binding arbitration pursuant to this section.

Sec. 3. Minnesota Statutes 1978, Section 179.61, is amended to read:

179.61 [PUBLIC POLICY.] It is the public policy of this state and the purpose of sections 179.61 to 179.77 and section 2 to promote orderly and constructive relationships between all public employers and their employees, subject however, to the paramount right of the citizens of this state to keep inviolate the guarantees for their health, education, safety and welfare.

The relationships between the public, the public employees, and their employer governing bodies imply degrees of responsibility to the people served, need of cooperation and employment protection which are different from employment in the private sector. So also the essentiality and public desire for some public services tend to create imbalances in relative bargaining power or the resolution with which either party to a disagreement presses its position, so that unique approaches to negotiations and resolutions of disputes between public employees and employers are necessary.

Unresolved disputes between the public employer and its employees are injurious to the public as well as to the parties; adequate means must therefore be established for minimizing them and providing for their resolution. Within the foregoing limitations and considerations the legislature has determined that overall policy may best be accomplished by:

(1) granting to public employees certain rights to organize and choose freely their representatives;

(2) requiring public employers to meet and negotiate with public employees in an appropriate bargaining unit and providing for written agreements evidencing the result of such bargaining; and

(3) establishing special rights, responsibilities, procedures and limitations regarding public employment relationships which will provide for the protection of the rights of the public employee, the public employer and the public at large.

Sec. 4. Minnesota Statutes 1978, Section 179.62, is amended to read:

179.62 [CITATION.] Sections 179.61 to 179.77 and *section 2* shall be known and may be cited as the public employment labor relations act (OF 1971).

Sec. 5. Minnesota Statutes 1978, Section 179.63, Subdivision 1, is amended to read:

179.63 [DEFINITIONS.] Subdivision 1. For the purposes of sections 179.61 to 179.77 and *section 2* the terms defined in this section have the meanings given them.

Sec. 6. Minnesota Statutes 1978, Section 179.63, Subdivision 4, is amended to read:

Subd. 4. "Public employer" or "employer" means (a) the state of Minnesota in respect to employees of the state not otherwise provided for in this subdivision or section 179.74 for executive branch employees; (b) the board of regents of the University of Minnesota, 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. When two or more units of government subject to the provisions of sections 179.61 to 179.77 and *section 2* undertake a project or form a new agency of government under chapter 402, or section 471.59, or other law authorizing common or joint action, the employer for purposes of sections 179.61 to 179.77 and *section 2* shall be the governing person or board of the created agency and the governing official or body of the cooperating governmental units shall be bound by an agreement entered into by the created agency pursuant to the procedures of sections 179.61 to 179.77 and *section 2*. The term does not include a "charitable hospital" as defined in section 179.35, subdivision 2. Nothing in this subdivision shall be construed to diminish the authority granted pursuant to law to an appointing authority in respect to the selection, direction, discipline or discharge of an individual employee insofar as such action is consistent with general procedures and standards relating to selection, direction, discipline or discharge which are the subject of an agreement entered into pursuant to sections 179.61 to 179.77 and *section 2*.

Sec. 7. Minnesota Statutes 1978, Section 179.64, Subdivision 1, is amended to read:

179.64 [STRIKES; PROHIBITION; PENALTIES.] Subdivision 1. No person holding a position by appointment or

employment in the government of the state of Minnesota, or in the government of any one or more of the political subdivisions thereof, or in the service of the public schools, or of the state university, or in the service of any authority, commission or board or any other branch of the public service, whether included or excepted from this act may engage in a strike, nor shall any such person or organization of such persons or its officials or agents cause, condone, instigate, encourage, or cooperate, in a strike except as may be provided in subdivision 7 or in section 2, subdivision 5.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 179.64, Subdivision 7, is amended to read:

Subd. 7. A violation of section 179.68, subdivision 2, clause (9), a refusal by the employer to request binding arbitration when requested by the exclusive representative pursuant to section 179.69, subdivision 3 or 5, or, as applied to state employees, a disapproval by the legislative commission on employee relations pursuant to section 3.855 or a failure by the legislature to approve a negotiated agreement or arbitration award pursuant to section 179.74, is a defense to a violation of this section, except as to essential employees. *A teacher shall have a defense to a violation of this section only as provided by section 2, subdivision 5.* As to all public employees, no other unfair labor practice or violation of sections 179.61 to 179.76 and section 2 by a public employer shall be a violation of this section but may be considered by the court in mitigation of or retraction of any penalties as to employees and employee organizations.

Sec. 9. Minnesota Statutes 1978, Section 179.65, Subdivision 1, is amended to read:

179.65 [RIGHTS AND OBLIGATIONS OF EMPLOYEES.]
Subdivision 1. Nothing contained in sections 179.61 to 179.77 and section 2 shall be construed to limit, impair or affect the right of any public employee or his representative to the expression or communication of a view, grievance, complaint or opinion on any matter related to the conditions or compensation of public employment or their betterment, so long as the same is not designed to and does not interfere with the full faithful and proper performance of the duties of employment or circumvent the rights of the exclusive representative if there be one; nor shall it be construed to require any public employee to perform labor or services against his will. If no exclusive representative has been certified, any public employee individually, or group of employees through their representative, shall have the right of expression or communication of a view, grievance, complaint or opinion on any matter related to the conditions or compensation of public employment or their betterment, by meeting with their public employer or his representative so long as the same is not designed to and does not interfere with the full, faithful and proper performance of the duties of employment.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 179.65, Subdivision 6, is amended to read:

Subd. 6. Supervisory and confidential employees, principals and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with all other provisions of sections 179.61 to 179.76 and *section 2*, as though they were essential employees. Units of supervisory or confidential employees shall not participate in any joint negotiations which involve the participation of units of employees other than supervisory or confidential employees. Affiliation of a supervisory or confidential employee with another employee organization which has as its members non-supervisory employees or non-confidential employees is permitted.

Sec. 11. Minnesota Statutes 1978, Section 179.66, Subdivision 5, is amended to read:

Subd. 5. Any provision of any contract required by section 179.70, which of itself or in its implementation would be in violation of or in conflict with any statute of the state of Minnesota or rule or regulation promulgated thereunder or provision of a municipal home rule charter or ordinance or resolution adopted pursuant thereto, or rule of any state board or agency governing licensure or registration of an employee, provided such rule, regulation, home rule charter, ordinance, or resolution is not in conflict with sections 179.61 to 179.66 and *section 2* shall be returned to the arbitrator for an amendment to make the provision consistent with the statute, rule, regulation, charter, ordinance or resolution.

Sec. 12. Minnesota Statutes 1978, Section 179.66, Subdivision 6, is amended to read:

Subd. 6. Nothing in sections 179.61 to 179.77 and *section 2* shall be construed to impair, modify or otherwise alter, or indicate a policy contrary to the authority of the legislature of the state of Minnesota to establish by law schedules of rates of pay for its employees or the retirement or other fringe benefits related to the compensation of such employees.

Sec. 13. Minnesota Statutes 1978, Section 179.66, Subdivision 9, is amended to read:

Subd. 9. An employer may hire and pay for arbitrators desired or required by the provisions of sections 179.61 to 179.77 and *section 2*.

Sec. 14. Minnesota Statutes 1978, Section 179.67, Subdivision 1, is amended to read:

179.67 [EXCLUSIVE REPRESENTATION; ELECTIONS; DECERTIFICATION.] Subdivision 1. Any employee organization holding formal recognition by order of the director or by employer voluntary recognition on the effective date of Extra Session Laws 1971, Chapter 33 under any law that is repealed by Extra Session Laws 1971, Chapter 33 is hereby certified as the exclusive representative until such time as it is decertified or another representative is certified in its place pursuant to Extra Session Laws 1971, Chapter 33. Any teacher organization as defined by section 125.20, subdivision 3, *as compiled in Minnesota Statutes 1969, (WHO) which* on the effective date of Extra Session Laws 1971, Chapter 33 has a majority of its members on a teacher's council in a school district as provided in section 125.22, *as compiled in Minnesota Statutes 1969,* is hereby certified as the exclusive representative of all teachers of that school district until such time as the organization is decertified or another organization is certified in its place pursuant to sections 179.61 to 179.77 and section 2.

Sec. 15. Minnesota Statutes 1978, Section 179.68, is amended to read:

179.68 [UNFAIR PRACTICES.] Subdivision 1. The practices specified in this section are unfair practices. Any employee, employer, employee or employer organization, exclusive representative, or any other person or organization aggrieved by an unfair labor practice as defined in sections 179.61 to 179.77 and section 2 may bring an action in district court of the county wherein the practice is alleged to have occurred for injunctive relief and for damages caused by such unfair labor practice.

Subd. 2. Public employers, their agents or representatives are prohibited from:

(1) interfering, restraining or coercing employees in the exercise of the rights guaranteed in sections 179.61 to 179.77 and section 2;

(2) dominating or interfering with the formation, existence or administration of any employee organization or contributing other support to it;

(3) discriminating in regard to hire or tenure to encourage or discourage membership in an employee organization;

(4) discharging or otherwise discriminating against an employee because he has signed or filed an affidavit, petition or complaint or given any information or testimony under sections 179.61 to 179.77 and section 2;

(5) refusing to meet and negotiate in good faith with the exclusive representative of its employees in an appropriate unit;

(6) refusing to comply with grievance procedures contained in an agreement as required by section 179.70;

(7) distributing or circulating any blacklist of individuals exercising any legal right or of members of a labor organization for the purpose of preventing individuals so blacklisted from obtaining or retaining employment;

(8) violating any of the rules and regulations established by the director regulating the conduct of representation elections (OR);

(9) refusing to comply with the provisions of a valid decision of a binding arbitration panel or arbitrator acting pursuant to sections 179.61 to 179.77 and section 2;

(10) violating or refusing to comply with any lawful order or decision issued by the director or the board; and

(11) refusing to provide upon the request of the exclusive representative all information pertaining to the public employer's budget both present and proposed, revenues and other financing information. In the executive branch of state government, the provisions of this clause shall not be considered contrary to the budgetary requirements set forth in sections (16.14, 16.15) 16A.10 and (16.155) 16A.11.

Subd. 3. Employee organizations, their agents or representatives, and public employees are prohibited from:

(1) restraining or coercing employees in the exercise of their rights as provided in sections 179.61 to 179.77 and section 2;

(2) restraining or coercing a public employer in the election of his representatives to be employed for the purposes of meeting and negotiating or the adjustment of grievances;

(3) refusing to meet and negotiate in good faith with a public employer, if they have been designated in accordance with the provisions of sections 179.61 to 179.77 and section 2 as the exclusive representative of employees in an appropriate unit;

(4) violating any of the rules and regulations established by the director regulating the conduct of representation elections;

(5) refusing to comply with the provisions of a valid decision of an arbitration panel or arbitrator acting pursuant to sections 179.61 to 179.77 and section 2;

(6) calling, instituting, maintaining or conducting a strike or boycott against any public employer on account of any jurisdictional controversy;

(7) coercing or restraining any person with the effect to:

(a) force or require any public employer to cease dealing or doing business with any other person or;

(b) force or require a public employer to recognize for representation purposes an employee organization not certified by the director;

(c) refuse to handle goods or perform services;

(d) preventing an employee from providing services to the employer;

(8) committing any act designed to damage or actually damaging physical property or endangering the safety of persons while engaging in a strike;

(9) forcing or requiring any employer to assign particular work to employees in a particular employee organization or in a particular trade, craft, or class rather than to employees in another employee organization or in another trade, craft or class;

(10) causing or attempting to cause a public employer to pay or deliver or agree to pay or deliver any money or other thing of value, in the nature of an exaction, for services which are not performed or not to be performed;

(11) engaging in an unlawful strike;

(12) picketing which has an unlawful purpose such as secondary boycott;

(13) picketing which unreasonably interferes with the ingress and egress to facilities of the public employer;

(14) seizing or occupying or destroying property of the employer;

(15) violating or refusing to comply with any lawful order or decision issued by the director of the board as authorized by sections 179.61 to 179.77 and section 2.

Sec. 16. Minnesota Statutes 1978, Section 179.71, Subdivision 2, is amended to read:

Subd. 2. The director shall accept and investigate all petitions for:

- (a) certification or decertification as the exclusive representative of an appropriate unit;
- (b) mediation services;
- (c) any election or other voting procedures provided for in sections 179.61 to 179.77 and *section 2*;
- (d) certification to the board of arbitration;
- (e) to hear and decide all issues in a fair share fee challenge.

Sec. 17. Minnesota Statutes 1978, Section 179.71, Subdivision 4, is amended to read:

Subd. 4. Public employers and exclusive representatives of employees may voluntarily participate in joint negotiations in similar or identical appropriate units. It is the policy of sections 179.61 to 179.77 and *section 2* to encourage such areawide negotiations and the director shall encourage it whenever possible.

Sec. 18. Minnesota Statutes 1978, Section 179.71, Subdivision 5, is amended to read:

Subd. 5. In addition to all other duties imposed by this section, the director shall:

- (a) retain mediation jurisdiction over the parties for purposes of this subdivision until such time as the parties reach agreement; provided, however, he may continue to assist parties after the parties have submitted their final positions as provided or required under section 179.72, subdivision 6; or section 179.69, subdivision 6;
- (b) issue notices, subpoenas and orders as may be required by law to carry out his duties under sections 179.61 to 179.77 and *section 2*. Issuance of orders shall include those orders of the Minnesota public employment relations board;
- (c) certify to the Minnesota public employment relations board those items of dispute between parties to be subject to the action of the Minnesota public employment relations board under section 179.69, subdivision 3;
- (d) assist the parties in formulating petitions, notices, and other papers required to be filed with the director or the board;

(e) certify the final results of any election or other voting procedure conducted pursuant to sections 179.61 to 179.77 *and section 2*;

(f) furnish clerical and administrative services to the Minnesota public employment relations board as may be required;

(g) adopt reasonable and proper rules and regulations relative to and regulating the forms of petitions, notices, orders and the conduct of hearings and elections subject to final approval of the Minnesota public employment relations board. Such rules and regulations shall be printed and made available to the public and a copy delivered with each notice of hearing; provided, that every such rule or regulation shall be filed with the secretary of state, and any change therein or additions thereto shall not take effect until 20 days after such filing;

(h) receive, catalogue and file in a logical manner all orders and decisions of the Minnesota public employment relations board and all arbitration panels authorized by sections 179.61 to 179.77 *and section 2* as well as all grievance arbitration decisions and the director's own orders and decisions. All orders and decisions catalogued and filed shall be made readily available to the public;

(i) promulgate a grievance procedure to effectuate the purposes of section 179.70, subdivision 1. Such grievance procedure shall not provide for the services of the bureau of mediation services. The exercise of authority granted by this clause shall be subject to the provisions of chapter 15; said grievance procedure to be available to any public employee employed in a unit not covered by a negotiated grievance procedure as contained in section 179.70, subdivision 1;

(j) conduct elections.

Sec. 19. Minnesota Statutes 1978, Section 179.74, Subdivision 2, is amended to read:

Subd. 2. The employer of state employees shall be, for purposes of sections 179.61 to 179.77 *and section 2*, the commissioner of personnel or his representative.

Sec. 20. Minnesota Statutes, 1979 Supplement, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of personnel shall meet and negotiate with the exclusive representative of appropriate units in the manner prescribed by sections 179.61 to 179.77 *and section 2*; provided, however, that the director of mediation services shall define appropriate units of state employees as all the employees under the same appointing authority except where pro-

fessional, geographical or other considerations affecting employment relations clearly require appropriate units of some other composition. The positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of personnel in accordance with the provisions of section 43.326 and so designated in the official state compensation schedules, all unclassified positions in the state university system and the community college system defined as managerial by their respective boards, all positions in the bureau of mediation services, all hearing examiners in the office of hearing examiners, employees who work in the personnel offices of an appointing authority in the executive branch and who have access to information subject to use by the appointing authority in meeting and negotiating or who actively participate in the meeting and negotiating on behalf of the state, shall be excluded from any appropriate unit. Regardless of unit determination, the governor may upon the unanimous written request of exclusive representatives of units and appointing authorities direct that negotiations be conducted for one or more appointing authorities in a common proceeding.

Sec. 21. [EFFECTIVE DATE.] *Sections 2 to 20 are effective January 1, 1981.*"

Delete the title and insert

"A bill for an act relating to public employees; clarifying the definition of public employees; providing for the negotiation and arbitration of collective bargaining agreements between the exclusive representatives and employers of teachers; establishing the conditions under which teachers have a right to strike; extending the applicability of certain sections of PELRA; amending Minnesota Statutes 1978, Sections 179.61; 179.62; 179.63, Subdivisions 1, 4 and 7; 179.64, Subdivision 1; 179.65, Subdivision 1; 179.66, Subdivisions 5, 6 and 9; 179.67, Subdivision 1; 179.68; 179.71, Subdivisions 2, 4 and 5; and 179.74, Subdivision 2; and Chapter 179, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 179.64, Subdivision 7; 179.65, Subdivision 6; and 179.74, Subdivision 4."

A roll call was requested and properly seconded.

POINT OF ORDER

Jennings raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

Jennings appealed the decision of chair.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 77 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Johnson, D.	Murphy	Sieben, M.
Anderson, B.	Eken	Kahn	Nelsen, M.	Simoneau
Anderson, G.	Elioff	Kalis	Nelson	Stoa
Anderson, I.	Ellingson	Kelly	Novak	Stowell
Anderson, R.	Evans	Kempe	Osthoff	Swanson
Battaglia	Ewald	Kostohryz	Otis	Tomlinson
Begich	Faricy	Kroening	Patton	Vanasek
Berglin	Fjoslien	Lehto	Pehler	Voss
Berkelman	Friedrich	Long	Peterson, D.	Waldorf
Brinkman	Fudro	Luknic	Prahl	Welch
Byrne	Greenfield	Mann	Reding	Wenzel
Carlson, D.	Hoberg	McCarron	Reif	Wynia
Carlson, L.	Hokanson	Metzen	Rice	Spkr. Norton
Casserly	Jacobs	Minne	Rodriguez	
Clark	Jaros	Moe	Sarna	
Clawson	Johnson, C.	Munger	Sieben, H.	

Those who voted in the negative were:

Aasness	Drew	Kvam	Onnen	Sherwood
Ainley	Erickson	Laidig	Peterson, B.	Stadum
Albrecht	Forsythe	Levi	Piepho	Thiede
Anderson, D.	Fritz	Ludeman	Pleasant	Valan
Biersdorf	Halberg	McDonald	Redalen	Valento
Blatz	Haukoos	Nelsen, B.	Rees	Weaver
Crandall	Heinitz	Niehaus	Rose	Welker
Dean	Jennings	Norman	Rothenberg	Wieser
Dempsey	Kaley	Nysether	Schreiber	Wigley
Den Ouden	Knickerbocker	Olsen	Searle	Zubay

So it was the judgment of the House that the decision of the Speaker should stand.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 3.9 that the amendment was not in order.

The Speaker submitted the following question to the House:

"Is it the judgment of the House that the point of order is well taken?"

A roll call was requested and properly seconded.

The roll was called. Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 29 yeas and 101 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Heinitz	Niehaus	Searle
Ainley	Esau	Jennings	Olsen	Valan
Albrecht	Forsythe	Knickerbocker	Onnen	Valento
Anderson, D.	Fritz	Kvam	Pleasant	Welker
Dempsey	Halberg	Laidig	Redalen	Wigley
Den Ouden	Haukoos	Ludeman	Rothenberg	

Those who voted in the negative were:

Adams	Eken	Kostohryz	Nysether	Stadum
Anderson, B.	Elioff	Kroening	Osthoff	Stoa
Anderson, G.	Ellingson	Lehto	Otis	Stowell
Anderson, I.	Evans	Levi	Patton	Sviggum
Anderson, R.	Ewald	Long	Pehler	Swanson
Battaglia	Faricy	Luknic	Peterson, B.	Thiede
Begich	Fjoslien	Mann	Peterson, D.	Tomlinson
Berglin	Friedrich	McCarron	Piepho	Vanasek
Berkelman	Fudro	McDonald	Prahl	Voss
Blatz	Greenfield	McEachern	Reding	Waldorf
Brinkman	Hoberg	Mehrkens	Rees	Weaver
Byrne	Hokanson	Metzen	Reif	Welch
Carlson, D.	Jacobs	Minne	Rice	Wenzel
Carlson, L.	Jaros	Moe	Rodriguez	Wieser
Casserly	Johnson, C.	Munger	Rose	Wynia
Clark	Johnson, D.	Murphy	Sarna	Zubay
Clawson	Jude	Nelsen, B.	Schreiber	Spkr. Norton
Corbid	Kahn	Nelsen, M.	Sherwood	
Crandall	Kalis	Nelson	Sieben, H.	
Dean	Kelly	Norman	Sieben, M.	
Drew	Kempe	Novak	Simoneau	

So it was the judgment of the House that the point of order was not well taken and the amendment was in order.

Searle moved that H. F. No. 2237, as amended, be re-referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Searle motion and the roll was called.

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

There were 48 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Aasness	Ainley	Albrecht	Anderson, D.	Blatz
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Crandall	Friedrich	Ludeman	Pleasant	Thiede
Dean	Fritz	Luknic	Redalen	Valan
Dempsey	Halberg	McDonald	Rees	Valento
Den Ouden	Haukoos	Mehrkens	Rose	Weaver
Drew	Heinitz	Nelsen, B.	Rothenberg	Welker
Erickson	Jennings	Niehaus	Schreiber	Wigley
Esau	Knickerbocker	Olsen	Searle	Zubay
Fjoslien	Kvam	Onnen	Sherwood	
Forsythe	Laidig	Piepho	Stadum	

Those who voted in the negative were:

Adams	Corbid	Kalis	Nelsen, M.	Simoneau
Anderson, B.	Eken	Kelly	Nelson	Stoa
Anderson, G.	Elioff	Kempe	Novak	Stowell
Anderson, I.	Ellingson	Kostohryz	Nysether	Sviggum
Anderson, R.	Evans	Kroening	Osthoff	Swanson
Battaglia	Ewald	Lehto	Otis	Tomlinson
Begich	Faricy	Levi	Pehler	Vanasek
Berglin	Fudro	Long	Peterson, B.	Voss
Berkelman	Greenfield	Mann	Peterson, D.	Waldorf
Brinkman	Hokanson	McCarron	Prahl	Welch
Byrne	Jacobs	McEachern	Reding	Wenzel
Carlson, D.	Jaros	Metzen	Rice	Wieser
Carlson, L.	Johnson, C.	Minne	Rodriguez	Wynia
Casserly	Johnson, D.	Moe	Sarna	Spkr. Norton
Clark	Jude	Munger	Sieben, H.	
Clawson	Kahn	Murphy	Sieben, M.	

The motion did not prevail.

Sviggum and McDonald moved to amend the Novak amendment to H. F. No. 2237 as follows:

Page 2, line 2, delete *"by July 1 of each odd-numbered year"* and insert *"60 days after the expiration date of the contract"*

Page 2, line 21, delete "45" and insert "90"

Page 3, line 8, after the semicolon, insert "or"

Page 3, line 10, delete "; or" and insert a period

Page 3, strike lines 11 through 13

A roll call was requested and properly seconded.

The question was taken on the Sviggum amendment to the Novak amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion did not prevail.

There were 64 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Johnson, D.	Nelson	Sherwood
Albrecht	Erickson	Kaley	Niehaus	Stadum
Anderson, B.	Esau	Kalis	Nysether	Sviggum
Anderson, D.	Evans	Knickerbocker	Olsen	Thiede
Anderson, G.	Fjoslien	Kvam	Onnen	Valan
Biersdorf	Forsythe	Laidig	Piepho	Valento
Blatz	Friedrich	Levi	Pleasant	Weaver
Brinkman	Fritz	Ludeman	Redalen	Welch
Crandall	Halberg	Luknic	Rees	Welker
Dean	Haukoos	Mann	Rose	Wieser
Dempsey	Heinitz	McDonald	Rothenberg	Wigley
Den Ouden	Jennings	Mehrkens	Schreiber	Zubay
Drew	Johnson, C.	Nelsen, B.	Searle	

Those who voted in the negative were:

Adams	Corbid	Kempe	Novak	Sieben, M.
Ainley	Elioff	Kostohryz	Osthoff	Simoneau
Anderson, I.	Ellingson	Kroening	Otis	Stoa
Anderson, R.	Ewald	Lehto	Patton	Stowell
Battaglia	Faricy	Long	Pehler	Swanson
Begich	Fudro	McCarron	Peterson, B.	Tomlinson
Berglin	Greenfield	McEachern	Peterson, D.	Vanasek
Berkelman	Hoberg	Metzen	Prahl	Voss
Byrne	Hokanson	Minne	Reding	Waldorf
Carlson, D.	Jacobs	Moe	Reif	Wenzel
Carlson, L.	Jaros	Munger	Rice	Wynia
Casserly	Jude	Murphy	Rodriguez	Spkr. Norton
Clark	Kahn	Nelsen, M.	Sarna	
Clawson	Kelly	Norman	Sieben, H.	

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

Crandall and Norman were excused for the remainder of today's session.

Fritz moved to amend the Novak amendment to H. F. No. 2237, as follows:

Page 2, line 30, delete "*The other*" and insert "*Arbitration proceedings shall begin within 15 days of the receipt of the petition from either party and shall be binding on both parties.*"

The arbitrators for their decision shall select from one of the last best offers of the parties and are specifically prohibited from selecting item by item from the last best offers of the parties."

Page 2, delete lines 31 to 33

Page 3, delete lines 1 to 3

Page 3, line 8, after the semicolon insert "*or*"

Page 3, delete lines 9 and 10

Page 3, line 11, delete "c" and insert "b"

A roll call was requested and properly seconded.

POINT OF ORDER

Kvam raised a point of order pursuant to rule 2.5. Speaker pro tem Faricy ruled the point of order not well taken.

The question recurred on the Fritz amendment to the Novak amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 56 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Johnson, D.	Nysether	Sviggum
Ainley	Eken	Jude	Onnen	Thiede
Albrecht	Erickson	Kaley	Piepho	Valan
Anderson, B.	Esau	Kalis	Pleasant	Valento
Anderson, D.	Evans	Laidig	Redalen	Welker
Anderson, G.	Forsythe	Ludeman	Rees	Wieser
Biersdorf	Friedrich	Luknic	Reif	Wigley
Clawson	Fritz	Mann	Rose	Zubay
Corbid	Haukoos	McDonald	Schreiber	
Dean	Heinitz	Mehrkens	Sherwood	
Dempsey	Jennings	Nelsen, B.	Stadum	
Den Ouden	Johnson, C.	Niehaus	Stowell	

Those who voted in the negative were:

Adams	Ellingson	Kostohryz	Novak	Sieben, H.
Anderson, I.	Ewald	Kroening	Olsen	Sieben, M.
Anderson, R.	Faricy	Kvam	Osthoff	Simoneau
Battaglia	Fjoslien	Lehto	Otis	Stoa
Begich	Fudro	Levi	Patton	Swanson
Berglin	Greenfield	Long	Pehler	Tomlinson
Berkelman	Hoberg	McCarron	Peterson, B.	Vanasek
Brinkman	Hokanson	Metzen	Peterson, D.	Voss
Byrne	Jacobs	Minne	Prahl	Waldorf
Carlson, D.	Jaros	Moe	Reding	Weaver
Carlson, L.	Kahn	Munger	Rice	Welch
Casserly	Kelly	Murphy	Rodriguez	Wenzel
Clark	Kempe	Nelsen, M.	Rothenberg	Wynia
Elioff	Knickerbocker	Nelson	Sarna	Sprk. Norton

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

Reif was excused for the remainder of today's session.

Ludeman moved to amend the Novak amendment to H. F. No. 2237, as follows:

Page 6, after line 9, insert a new section to read as follows:

"Sec. 8. Minnesota Statutes 1978, Section 179.64, Subdivision 4, is amended to read:

Subd. 4. A public employee who knowingly violates the provisions of this section and whose employment has been terminated pursuant to this section, may, subsequent to such violation, be appointed or reappointed, employed or reemployed, but the employee shall be on probation for two years with respect to such civil service status, tenure of employment, or contract of employment, as he may have theretofore been entitled.

No employee shall be entitled to any daily pay, wages or per diem for the days on which he engaged in a strike.

A public employer shall not through negotiations or in any other manner either provide for additional periods of paid employment to make up time lost on account of a strike by its public employees or otherwise indemnify those employees for compensation lost during the duration of the strike. Any contract provision entered into or action taken by a public employer in violation of this subdivision shall be illegal and null and void."

Renumber the remaining sections accordingly.

Further amend the title.

A roll call was requested and properly seconded.

The question was taken on the Ludeman amendment to the Novak amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 37 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Piepho	Sviggum
Albrecht	Forsythe	Laidig	Redalen	Thiede
Anderson, D.	Fritz	Ludeman	Rose	Valan
Brinkman	Heinitz	Niehaus	Searle	Welker
Dempsey	Jennings	Nysether	Sherwood	Wigley
Den Ouden	Johnson, D.	Olsen	Stadum	
Erickson	Kalis	Onnen	Stoa	
Esau	Kempe	Patton	Stowell	

Those who voted in the negative were:

Adams	Corbid	Jaros	Minne	Rodriguez
Ainley	Dean	Johnson, C.	Moe	Rothenberg
Anderson, B.	Drew	Jude	Munger	Sarna
Anderson, G.	Eken	Kahn	Murphy	Schreiber
Anderson, I.	Elioff	Kaley	Nelsen, B.	Sieben, H.
Anderson, R.	Ellingson	Kelly	Nelsen, M.	Sieben, M.
Battaglia	Evans	Knickerbocker	Nelson	Simoneau
Begich	Ewald	Kostohryz	Novak	Swanson
Berglin	Faricy	Kroening	Osthoff	Tomlinson
Berkelman	Friedrich	Lehto	Otis	Vanasek
Biersdorf	Fudro	Long	Pehler	Voss
Blatz	Greenfield	Luknic	Peterson, B.	Waldorf
Byrne	Halberg	Mann	Peterson, D.	Weaver
Carlson, D.	Haukoos	McCarron	Pleasant	Welch
Carlson, L.	Heap	McDonald	Prahl	Wenzel
Casserly	Hoberg	McEachern	Reding	Wieser
Clark	Hokanson	Mehrkens	Rees	Zubay
Clawson	Jacobs	Metzen	Rice	Spkr. Norton

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

Stadum, Nysether, Valan and Aasness offered an amendment to H. F. No. 2237, as amended.

POINT OF ORDER

Simoneau raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order well taken and the amendment out of order.

The question recurred on the Novak amendment and the roll was called. There were 89 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Adams	Elioff	Kaley	Nelsen, M.	Sieben, H.
Ainley	Ellingson	Kelly	Nelson	Sieben, M.
Anderson, B.	Ewald	Kempe	Novak	Simoneau
Anderson, I.	Faricy	Knickerbocker	Onnen	Stoa
Anderson, R.	Fjoslien	Kostohryz	Osthoff	Sviggun
Battaglia	Friedrich	Kroening	Otis	Swanson
Begich	Fudro	Laidig	Pehler	Thiede
Berglin	Greenfield	Lehto	Peterson, B.	Tomlinson
Berkelman	Halberg	Levi	Peterson, D.	Vanasek
Biersdorf	Heap	Long	Piepho	Voss
Blatz	Heinitz	Mann	Reding	Waldorf
Byrne	Hoberg	McCarron	Rees	Welch
Carlson, D.	Hokanson	McEachern	Rice	Wenzel
Carlson, L.	Jacobs	Metzen	Rodriguez	Wieser
Casserly	Jaros	Minne	Rose	Wynia
Clark	Johnson, D.	Moe	Rothenberg	Zubay
Clawson	Jude	Munger	Sarna	Spkr. Norton
Corbid	Kahn	Murphy	Schreiber	

Those who voted in the negative were:

Aasness	Drew	Jennings	Nelsen, B.	Sherwood
Albrecht	Eken	Johnson, C.	Niehaus	Stadum
Anderson, D.	Erickson	Kalis	Nysether	Stowell
Anderson, G.	Esau	Kvam	Olsen	Valan
Brinkman	Evans	Ludeman	Pleasant	Valento
Dean	Forsythe	Luknic	Prahl	Weaver
Dempsey	Fritz	McDonald	Redalen	Welker
Den Ouden	Haukoos	Mehrkens	Searle	Wigley

The motion prevailed and the Novak amendment was adopted.

McDonald, Rees and Heinitz moved to amend H. F. No. 2237, as amended, as follows:

Page 2, after line 14 insert:

"Sec. 2. Minnesota Statutes 1978, Section 179.63, Subdivision 18 is amended to read:

Subd. 18. The term "terms and conditions of employment" means the hours of employment, the compensation therefor including fringe benefits except retirement contributions or benefits, and the employer's personnel policies affecting the working conditions of the employees. *In the case of professional employees of school districts, "working conditions" of employees means only those policies regarding leaves of absence, seniority provisions, union security, job safety and grievance procedures.* (IN THE CASE OF PROFESSIONAL EMPLOYEES THE TERM DOES NOT MEAN EDUCATIONAL POLICIES OF A SCHOOL DISTRICT.) The terms in both cases are subject to the provisions of section 179.66 regarding the rights of public employers and the scope of negotiations.

Sec. 3. Minnesota Statutes 1978, Section 179.68, Subdivision 3 is amended to read:

Subd. 3. Employee organizations, their agents or representatives, and public employees are prohibited from:

(1) restraining or coercing employees in the exercise of their rights as provided in sections 179.61 to 179.77;

(2) restraining or coercing a public employer in the election of his representatives to be employed for the purposes of meeting and negotiating or the adjustment of grievances;

(3) refusing to meet and negotiate in good faith with a public employer, if they have been designated in accordance with the provisions of sections 179.61 to 179.77 as the exclusive representative of employees in an appropriate unit;

(4) violating any of the rules and regulations established by the director regulating the conduct of representation elections;

(5) refusing to comply with the provisions of a valid decision of an arbitration panel or arbitrator acting pursuant to sections 179.61 to 179.77;

(6) calling, instituting, maintaining or conducting a strike or boycott against any public employer on account of any jurisdictional controversy;

(7) coercing or restraining any person with the effect to:

(a) force or require any public employer to cease dealing or doing business with any other person or;

(b) force or require a public employer to recognize for representation purposes an employee organization not certified by the director;

(c) refuse to handle goods or perform services;

(d) preventing an employee from providing services to the employer;

(8) committing any act designed to damage or actually damaging physical property or endangering the safety of persons while engaging in a strike;

(9) forcing or requiring any employer to assign particular work to employees in a particular employee organization or in a particular trade, craft, or class rather than to employees in another employee organization or in another trade, craft or class;

(10) causing or attempting to cause a public employer to pay or deliver or agree to pay or deliver any money or other thing of value, in the nature of an exaction, for services which are not performed or not to be performed;

(11) engaging in an unlawful strike;

(12) picketing which has an unlawful purpose such as secondary boycott;

(13) picketing which unreasonably interferes with the ingress and egress to facilities of the public employer;

(14) seizing or occupying or destroying property of the employer;

(15) violating or refusing to comply with any lawful order or decision issued by the director of the board as authorized by sections 179.61 to 179.77.

(16) *proposing items for negotiations that are not deemed to be "terms and conditions of employment" in section 179.63, subdivision 18."*

Renumber the sections accordingly

Correct internal cross references

Further, amend the title as follows:

Page 1, line 15, delete "and" and insert a comma

Page 1, line 15, after "8" insert ", and 18"

Page 1, line 17, after the semi-colon insert "179.63, Subdivision 3;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 37 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	McDonald	Pleasant	Valan
Albrecht	Fritz	Mehrkens	Redalen	Valento
Anderson, B.	Heinitz	Niehaus	Rees	Welch
Dempsey	Kempe	Nysether	Rose	Welker
Den Ouden	Kvam	Olsen	Sherwood	Wigley
Drew	Laidig	Onnen	Stadum	
Erickson	Levi	Peterson, B.	Sviggum	
Fjoslien	Ludeman	Piepho	Thiede	

Those who voted in the negative were:

Adams	Corbid	Jacobs	Mann	Prahl
Ainley	Dean	Jaros	McCarron	Reding
Anderson, D.	Eken	Jennings	McEachern	Rice
Anderson, G.	Elioff	Johnson, C.	Metzen	Rodriguez
Anderson, I.	Ellingson	Johnson, D.	Munne	Rothenberg
Battaglia	Evans	Jude	Munger	Sarna
Begich	Ewald	Kahn	Murphy	Schreiber
Berglin	Faricy	Kaley	Nelsen, B.	Sieben, H.
Berkelman	Friedrich	Kalis	Nelsen, M.	Sieben, M.
Blatz	Fudro	Kelly	Nelson	Simoneau
Byrne	Greenfield	Knickerbocker	Novak	Stoa
Carlson, D.	Halberg	Kostohryz	Osthoff	Stowell
Carlson, L.	Haukoos	Kroening	Otis	Swanson
Casserly	Heap	Lehto	Patton	Tomlinson
Clark	Hoberg	Long	Pehler	Vanasek
Clawson	Hokanson	Luknic	Peterson, D.	Voss

Waldorf
WeaverWenzel
Wieser

Wynia

Zubay

Spkr. Norton

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

Rice offered an amendment to H. F. No. 2237.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order well taken and the amendment out of order.

H. F. No. 2237, A bill for an act relating to public employees; clarifying the definition of public employees; providing for the negotiation and arbitration of collective bargaining agreements between the exclusive representatives and employers of teachers; establishing the conditions under which teachers have a right to strike; extending the applicability of certain sections of PELRA; amending Minnesota Statutes 1978, Sections 179.61; 179.62; 179.63, Subdivisions 1, 4 and 7; 179.64, Subdivision 1; 179.65, Subdivision 1; 179.66, Subdivisions 5, 6 and 9; 179.67, Subdivision 1; 179.68; 179.71, Subdivisions 2, 4 and 5; and 179.74, Subdivision 2; and Chapter 179, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 179.64, Subdivision 7; 179.65, Subdivision 6; and 179.74, Subdivision 4.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 87 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Adams	Elioff	Kelly	Novak	Sieben, M.
Ainley	Ellingson	Kempe	Onnen	Simoneau
Anderson, B.	Ewald	Knickerbocker	Osthoff	Stoa
Anderson, I.	Faricy	Kostohryz	Otis	Sviggum
Anderson, R.	Fjoslien	Kroening	Pehler	Swanson
Battaglia	Friedrich	Laidig	Peterson, B.	Tomlinson
Begich	Fudro	Lehto	Peterson, D.	Vanasek
Berglin	Greenfield	Levi	Piepho	Voss
Berkelman	Halberg	Long	Prahl	Waldorf
Biersdorf	Heap	McCarron	Reding	Welch
Blatz	Hoberg	McEachern	Rees	Wenzel
Byrne	Hokanson	Metzen	Rice	Wieser
Carlson, D.	Jacobs	Minne	Rodriguez	Wynia
Carlson, L.	Jaros	Moe	Rose	Zubay
Casserly	Johnson, D.	Munger	Rothenberg	Spkr. Norton
Clark	Jude	Murphy	Sarna	
Clawson	Kahn	Nelsen, M.	Schreiber	
Corbid	Kaley	Nelson	Sieben, H.	

Those who voted in the negative were:

Aasness	Eken	Johnson, C.	Niehaus	Stowell
Albrecht	Erickson	Kalis	Nysether	Thiede
Anderson, D.	Esau	Kvam	Olsen	Valan
Anderson, G.	Evans	Ludeman	Patton	Valento
Brinkman	Forsythe	Luknic	Pleasant	Weaver
Dean	Fritz	Mann	Redalen	Welker
Dempsey	Haukoos	McDonald	Searle	Wigley
Den Ouden	Heinitz	Mehrkens	Sherwood	
Drew	Jennings	Nelsen, B.	Stadum	

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

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

MOTIONS AND RESOLUTIONS

Begich moved that his name be stricken as an author on H. F. No. 2479. The motion prevailed.

Schreiber moved that the name of McEachern be stricken and the name of Jude be added as an author on H. F. No. 1612. The motion prevailed.

Weaver moved that H. F. No. 1169 be recalled from the Senate for further consideration by the House. The motion prevailed.

Aasness moved that H. F. No. 1833 be returned to its author. The motion prevailed.

Kempe moved that H. F. No. 2259 be returned to its author. The motion prevailed.

Begich moved that H. F. No. 2479 be returned to its author. The motion prevailed.

Forsythe introduced:

House Resolution No. 48, A house resolution extending congratulations to Angie Barnes of the Edina-West High School for her first place finish in the All Around Competition at the Girl's State Gymnastics Meet.

The resolution was referred to the Committee on Rules and Legislative Administration.

Forsythe introduced:

House Resolution No. 49, A house resolution congratulating Edina-West High School on winning the State High School Boys' Slalom Skiing Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2476:

McCarron; Kahn; Anderson, G.; Forsythe; and Simoneau.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 10:30 a.m., Friday, March 28, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:30 a.m., Friday, March 28, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

EIGHTY-NINTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MARCH 28, 1980

The House of Representatives convened at 10:30 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kaley	Niehaus	Sherwood
Adams	Eken	Kalis	Norman	Sieben, H.
Ainley	Elioff	Kelly	Novak	Sieben, M.
Albrecht	Ellingson	Kempe	Nysether	Simoneau
Anderson, B.	Erickson	Knickerbocker	Olsen	Stadum
Anderson, D.	Esau	Kostohryz	Onnen	Stoa
Anderson, G.	Evans	Kroening	Osthoff	Stowell
Anderson, I.	Ewald	Kvam	Otis	Sviggum
Anderson, R.	Faricy	Laidig	Patton	Swanson
Battaglia	Fjoslien	Lehto	Pehler	Thiede
Begich	Forsythe	Levi	Peterson, B.	Tomlinson
Berglin	Friedrich	Long	Peterson, D.	Valan
Berkelman	Fritz	Ludeman	Piepho	Valento
Biersdorf	Fudro	Luknic	Pleasant	Vanasek
Blatz	Greenfield	Mann	Prahl	Voss
Brinkman	Halberg	McCarron	Redalen	Waldorf
Byrne	Haukoos	McDonald	Reding	Weaver
Carlson, D.	Heap	McEachern	Rees	Welch
Carlson, L.	Heinitz	Mehrkens	Reif	Welker
Casserly	Hoberg	Metzen	Rice	Wenzel
Clark	Hokanson	Minne	Rodriguez	Wieser
Clawson	Jaros	Moe	Rose	Wigley
Corbid	Jennings	Munger	Rothenberg	Wynia
Crandall	Johnson, C.	Murphy	Sarna	Zubay
Dean	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Jude	Nelsen, M.	Searle	
Den Ouden	Kahn	Nelson	Searles	

A quorum was present.

Jacobs was excused until 12:20 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Niehaus moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1878, 2289, 632 and 2237 and S. F. No. 1978 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

March 27, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1892, relating to courts; providing that courts may acquire electronic data processing services through supreme court contracts;

H. F. No. 1798, relating to courts; second judicial district; providing for the appointment of the juvenile court clerk;

H. F. No. 1789, relating to occupations and professions; providing for licensing of public accountants;

Sincerely,

ALBERT H. QUIE
Governor

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House File was introduced:

McDonald and Forsythe introduced:

H. F. No. 2486, A bill for an act relating to health; altering certain guidelines for health and developmental screening programs established by school boards; amending Minnesota Statutes 1978, Section 123.702, Subdivisions 2, 4 and 6; and Minnesota Statutes, 1979 Supplement, Section 123.702, Subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Welfare.

HOUSE ADVISORIES

The following House Advisory was introduced:

Biersdorf, Metzen, Begich, Evans and Rice introduced:

H. A. No. 60, A proposal to study the effects on labor in Minnesota as it relates to ban the can legislation.

The advisory was referred to the Committee on Labor-Management Relations.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2369, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; reenacting a law; amending Minnesota Statutes 1978, Sections 15.052, Subdivision 9; 16.851, Subdivision 1; 16A.26; 25.31; 25.32; 25.33, Subdivisions 1 and 5; 25.34, Subdivision 3; 25.36; 25.40; 25.41, Subdivisions 1 and 5; 25.42; 25.43; 25.44; 28A.15, Subdivision 4; 89.35; 89.36, Subdivision 1; 89.39; 93.45, Subdivision 2; 111.21, Subdivision 1; 112.46; 116.02, Subdivision 2; 116.16, Subdivision 2; 116C.65; 116H.06; 120.17, Subdivision 9; 122.531, Subdivision 2; 123.42; 124.212, Subdivision 8a; 124.46, Subdivision 3; 125.12, Subdivision 4; 126.41, Subdivision 2; 128A.04; 136.148; 136.501; 136.503, Subdivision 1; 136.506; 144.225, Subdivision 1; 144A.01, Subdivision 5; 144A.10, Subdivision 1; 144A.24; 145.22; 147.073, Subdivision 1; 161.171, Subdivision 5; 161.173; 162.02, Subdivision 11; 168B.02, Subdivisions 1 and 2; 168B.05; 168B.07, Subdivision 2; 168B.08, Subdivision 3; 169.751; 169.99, Subdivision 3; 179.61; 179.62; 179.63, Subdivisions 1 and 4; 179.65, Subdivision 1; 179.66, Subdivisions 5, 6 and 9; 179.67, Subdivision 1; 179.68;

179.71, Subdivisions 2, 4 and 5; 179.74, Subdivision 2; 181.12; 197.17; 202A.61; 238.01; 238.02, Subdivisions 1 and 4; 238.03; 238.04, Subdivision 9; 238.06, Subdivision 2; 238.08, Subdivision 4; 238.10; 238.16, Subdivision 2; 241.08, Subdivision 2; 241.44, Subdivision 1a; 242.37; 243.07; 243.12; 245.813, Subdivision 9; 256.09; 256.736, Subdivision 3; 256.76, Subdivision 2; 256.78; 256D.10; 256D.13; 260.251, Subdivision 3; 268.013, Subdivision 6; 296.01, Subdivision 1; 296.11; 296.15, Subdivision 2; 296.17, Subdivisions 1 and 5; 296.19; 296.20; 296.24; 301.511, Subdivision 2; 325.01, Subdivision 1; 325.907, Subdivision 1; 326.33, Subdivision 1; 333.055, Subdivision 2; 340.07, Subdivision 11; 340.11, Subdivision 9; 340.12; 340.14, Subdivision 5; 352.116; 352.1191; 352E.01, Subdivision 1; 352E.04; 352E.045; 354.44, Subdivision 5; 359.07, Subdivision 2; 360.018, Subdivisions 7 and 9; 363.02, Subdivision 3; 365.22; 367.33, Subdivision 3; 387.45; 390.23; 394.24, Subdivision 3; 394.25, Subdivision 5a; 401.02, Subdivision 1; 412.251; 419.07; 419.075, Subdivision 2; 422A.06, Subdivision 2; 422A.11, Subdivision 1; 429.061, Subdivision 1; 435.191; 440.40; 459.14, Subdivision 7; 462.352, Subdivision 10; 462.36, Subdivision 1; 465.56, Subdivision 2; 471.591, Subdivision 1; 473.163, Subdivision 3; 473.223; 473F.02, Subdivision 21; 474.02, Subdivision 1b; 485.018, Subdivision 4; 485.021; 505.178, Subdivision 2; 525.72; 546.10; 626.556, Subdivision 11; 628.-41, Subdivision 6; Chapter 390, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 10A.01, Subdivision 11; 62A.02, Subdivision 3; 69.771, Subdivision 1; 179.74, Subdivision 4; 256B.06, Subdivision 1; 273.73, Subdivision 6; 273.76, Subdivision 2; 273.77; 273.86, Subdivision 4; 275.125, Subdivision 9; 290.06, Subdivisions 3g and 14; 326.211, Subdivision 9; 354A.094, Subdivisions 2, 3, 8, and by adding a subdivision; 354A.38, Subdivision 3; 402.01, Subdivision 1; 424A.06, Subdivision 2; 462A.22, Subdivision 1a; 519.11, Subdivision 1; 549.09, Subdivision 1; 626.556, Subdivision 2; Laws 1979, Chapters 134, Section 2; 333, Sections 26, and 31, Subdivision 3; 335, Section 3, Subdivision 20; and reenacting Laws 1979, Chapter 303, Article I, Section 14; repealing Minnesota Statutes 1978, Sections 239.27; 325.01, Subdivisions 8, 9, 10, 11 and 12; 354A.-22, as amended by Laws 1979, Chapter 334, Article VII, Sections 23 to 26; 390.33, Subdivision 7; Laws 1976, Chapters 155, Section 1; 222, Sections 30 and 31; 348, Section 15; Laws 1977, Chapter 323, Section 1; Laws 1979, Chapters 31, Section 2; 217, Section 11; and 316, Section 11.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1262, A bill for an act relating to the city of Breezy Point; relating to its tax levy for general purposes; repealing Laws 1971, Chapter 110.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1996, A bill for an act relating to industrial development; providing for various energy related projects; amending Minnesota Statutes 1978, Sections 474.01, Subdivision 4; and 474.02, by adding subdivisions; and Minnesota Statutes, 1979 Supplement, Section 474.03.

H. F. No. 2262, A bill for an act relating to highway traffic regulations; including a constable within the meaning of the definition of peace officer in the implied consent law; amending Minnesota Statutes 1978, Section 169.123, Subdivision 1.

H. F. No. 2314, A bill for an act relating to the legislative auditor; clarifying access to data; amending Minnesota Statutes 1978, Section 3.97, by adding subdivisions.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 753, A bill for an act relating to banks and banking; removing certain restrictions on services that may be offered at detached facilities; amending Minnesota Statutes 1978, Section 47.53.

H. F. No. 1653, A bill for an act relating to public welfare; eliminating authorization for Minnesota State Children's Center; repealing Minnesota Statutes 1978, Sections 260.41 to 260.46.

H. F. No. 1723, A bill for an act relating to snowmobiles; authorizing use in trapping related activities in certain counties; amending Minnesota Statutes, 1979 Supplement, Section 100.29, Subdivision 30.

H. F. No. 1949, A bill for an act relating to zoning; providing for notice of hearings; changing notice provisions for variance hearings; amending Minnesota Statutes 1978, Section 394.26, Subdivision 2.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2152, A bill for an act relating to Carver county; applying the provisions of the municipal housing and redevelopment act to Carver county; providing for local approval of projects.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1896, A bill for an act relating to juveniles; establishing criteria for reference of certain juveniles for prosecution; requiring written findings and conclusions after reference hearings; providing monitoring by the crime control planning board; amending Minnesota Statutes 1978, Section 260.125, by adding subdivisions.

The Senate has appointed as such committee Messrs. Sikorski, McCutcheon, Luther, Keefe, J. and Davies.

House File No. 1896 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 475, A bill for an an act relating to hospitals; requiring adoption of federal medicare standards for hospital licensing; regulating hospital inspections; providing for licensing of hospitals accredited by the joint commission on hospital accreditation; amending Minnesota Statutes 1978, Sections 144.55; and 144.50, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wenzel moved that the House concur in the Senate amendments to H. F. No. 475 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

Forsythe, McCarron and Simoneau were excused while in conference committee.

CALL OF THE HOUSE

On the motion of Wenzel and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Drew	Kelly	Norman	Sherwood
Adams	Eken	Kempe	Nysether	Sieben, H.
Ainley	Ellingson	Knickerbocker	Olsen	Sieben, M.
Albrecht	Erickson	Kostohryz	Onnen	Simoneau
Anderson, B.	Esau	Kroening	Osthoff	Stadum
Anderson, D.	Ewald	Kvam	Otis	Stoa
Anderson, G.	Faricy	Laidig	Patton	Stowell
Anderson, I.	Fjoslien	Lehto	Pehler	Sviggum
Anderson, R.	Friedrich	Levi	Peterson, B.	Thiede
Battaglia	Fudro	Long	Peterson, D.	Tomlinson
Begich	Greenfield	Ludeman	Piepho	Valan
Berglin	Halberg	Luknic	Pleasant	Valento
Berkelman	Haukoos	Mann	Prahl	Vanasek
Biersdorf	Heap	McDonald	Redalen	Voss
Blatz	Heinitz	McEachern	Reding	Weaver
Brinkman	Hoberg	Mehrkens	Rees	Welch
Byrne	Hokanson	Metzen	Reif	Welker
Carlson, D.	Jaros	Minne	Rice	Wenzel
Carlson, L.	Jennings	Moe	Rodriguez	Wieser
Clark	Johnson, C.	Munger	Rose	Wigley
Clawson	Johnson, D.	Murphy	Rothenberg	Zubay
Crandall	Jude	Nelsen, B.	Sarna	Spkr. Norton
Dean	Kahn	Nelsen, M.	Schreiber	
Dempsey	Kaley	Nelson	Searle	
Den Ouden	Kalis	Niehaus	Searles	

Kempe moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Berkelman moved that the Message from the Senate relating to H. F. No. 475, as amended by the Senate, be temporarily laid over.

A roll call was requested and properly seconded.

The question was taken on the Berkelman motion and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion did not prevail.

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

There were 55 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Adams	Eken	Johnson, C.	Munger	Sieben, M.
Ainley	Ellingson	Kahn	Nelson	Stoa
Berglin	Ewald	Kaley	Novak	Swanson
Berkelman	Faricy	Knickerbocker	Otis	Tomlinson
Blatz	Friedrich	Kvam	Peterson, B.	Vanasek
Carlson, D.	Greenfield	Lehto	Peterson, D.	Voss
Carlson, L.	Haukoos	Levi	Pleasant	Weaver
Casserly	Heap	Long	Rice	Welch
Clark	Henitz	Mann	Rothenberg	Wigley
Clawson	Hoberg	Minne	Searle	Wynia
Dean	Jaros	Moe	Searles	Spkr. Norton

Those who voted in the negative were:

Aasness	Drew	Kostohryz	Olsen	Sherwood
Albrecht	Elioff	Kroening	Onnen	Sieben, H.
Anderson, B.	Erickson	Laidig	Osthoff	Stadum
Anderson, D.	Esau	Ludeman	Patton	Stowell
Anderson, G.	Evans	Luknic	Pehler	Sviggum
Anderson, I.	Fjoslien	McDonald	Piepho	Thiede
Anderson, R.	Fritz	McEachern	Prahl	Valan
Battaglia	Fudro	Mehrkens	Redalen	Valento
Begich	Hokanson	Metzen	Reding	Waldorf
Biersdorf	Jennings	Murphy	Rees	Welker
Brinkman	Johnson, D.	Nelsen, B.	Reif	Wenzel
Byrne	Jude	Nelsen, M.	Rodriguez	Wieser
Crandall	Kalis	Niehaus	Rose	Zubay
Dempsey	Kelly	Norman	Sarna	
Den Ouden	Kempe	Nysether	Schreiber	

The motion did not prevail.

Berkelman moved that the House refuse to concur in the Senate amendments to H. F. No. 475, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

Friedrich was excused from 11:40 a.m. to 2:00 p.m.

Wenzel moved that the Message from the Senate relating to H. F. No. 475, as amended by the Senate, be continued until 2:30 p.m. today, Friday, March 28, 1980.

A roll call was requested and properly seconded.

The question was taken on the Wenzel motion and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 22 yeas and 109 nays as follows:

Those who voted in the affirmative were:

Crandall	Kempe	Nelsen, B.	Rose	Welch
Fritz	Kroening	Niehaus	Sarna	Wenzel
Fudro	Laidig	Onnen	Thiede	
Jude	McEachern	Osthoff	Valento	
Kalis	Metzen	Prahl	Waldorf	

Those who voted in the negative were:

Aasness	Corbid	Jaros	Murphy	Searles
Adams	Dean	Jennings	Nelsen, M.	Sherwood
Ainley	Dempsey	Johnson, C.	Nelson	Sieben, H.
Albrecht	Den Ouden	Johnson, D.	Norman	Sieben, M.
Anderson, B.	Drew	Kahn	Novak	Simoneau
Anderson, D.	Eken	Kaley	Nysether	Stadium
Anderson, G.	Elioff	Kelly	Olsen	Stoa
Anderson, I.	Ellingson	Knickerbocker	Otis	Stowell
Anderson, R.	Erickson	Kostohryz	Patton	Sviggum
Battaglia	Esau	Kvam	Pehler	Swanson
Begich	Evans	Lehto	Peterson, B.	Tomlinson
Berglin	Ewald	Levi	Peterson, D.	Valan
Berkelman	Faricy	Long	Piepho	Vanasek
Biersdorf	Fjoslien	Ludeman	Pleasant	Voss
Blatz	Forsythe	Luknic	Redalen	Weaver
Brinkman	Greenfield	Mann	Rees	Welker
Byrne	Halberg	McCarron	Reif	Wieser
Carlson, D.	Haukoos	McDonald	Rice	Wigley
Carlson, L.	Heap	Mehrkens	Rodriguez	Wynia
Casserly	Heinitz	Minne	Rothenberg	Zubay
Clark	Hoberg	Moe	Schreiber	Spkr. Norton
Clawson	Hokanson	Munger	Searle	

The motion did not prevail.

The question recurred on the Berkelman motion to refuse to concur in the Senate amendments and appoint a conference committee and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 102 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Aasness	Byrne	Fjoslien	Kaley	Munger
Adams	Carlson, D.	Forsythe	Kelly	Murphy
Ainley	Carlson, L.	Fritz	Knickerbocker	Nelsen, M.
Albrecht	Casserly	Greenfield	Kostohryz	Nelson
Anderson, B.	Clark	Halberg	Kvam	Norman
Anderson, D.	Clawson	Haukoos	Lehto	Novak
Anderson, G.	Corbid	Heap	Levi	Nysether
Anderson, R.	Dean	Heinitz	Long	Olsen
Battaglia	Drew	Hoberg	Ludeman	Otis
Begich	Eken	Hokanson	Mann	Patton
Berglin	Elioff	Jaros	McCarron	Pehler
Berkelman	Ellingson	Jennings	McDonald	Peterson, B.
Biersdorf	Evans	Johnson, C.	Mehrkens	Peterson, D.
Blatz	Ewald	Johnson, D.	Minne	Pleasant
Brinkman	Faricy	Kahn	Moe	Redalen

Reding	Searle	Stadum	Valan	Wynia
Rees	Searles	Stoa	Vanasek	Zubay
Reif	Sherwood	Stowell	Voss	Spkr. Norton
Rice	Sieben, H.	Sviggum	Weaver	
Rothenberg	Sieben, M.	Swanson	Welker	
Schreiber	Simoneau	Tomlinson	Wigley	

Those who voted in the negative were:

Anderson, I.	Jude	McEachern	Piepho	Valento
Crandall	Kalis	Metzen	Prahl	Waldorf
Dempsey	Kempe	Nelsen, B.	Rodriguez	Welch
Erickson	Kroening	Niehaus	Rose	Wenzel
Esau	Laidig	Onnen	Sarna	Wieser
Fudro	Luknic	Osthoff	Thiede	

The motion prevailed.

CALL OF THE HOUSE LIFTED

Brinkman moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 768.

The Senate has passed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 768

A bill for an act relating to natural resources; requiring county board or land exchange board approval on the acquisition of wildlife lands by the commissioner of natural resources; amending Minnesota Statutes 1978, Section 97.481.

March 25, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 768, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 768 be further amended as follows:

Page 3, line 4, after "county" insert "and the town officers in each town"

Page 3, line 5, after "board" insert "and the town officers"

Page 3, line 7, delete "60" and insert "90"

Page 3, line 8, after "board" insert "and the town officers"

Page 3, lines 18 and 30, delete "60-day" and insert "90-day"

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

Senate Conferees: WILLIAM P. LUTHER, ROBERT M. BENEDICT and JAMES ULLAND.

House Conferees: ELLIOT C. ROTHENBERG, TOM STOA and ADOLPH KVAM.

Rothenberg moved that the report of the Conference Committee on S. F. No. 768 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 768, A bill for an act relating to natural resources; requiring county board or land exchange board approval on the acquisition of wildlife lands by the commissioner of natural resources; amending Minnesota Statutes 1978, Section 97.481.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 80 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Adams	Greenfield	Laidig	Otis	Sherwood
Ainley	Halberg	Lehto	Patton	Sieben, H.
Albrecht	Heap	Levi	Pehler	Sieben, M.
Berglin	Heinitz	Long	Peterson, B.	Simoneau
Berkelman	Hokanson	Ludeman	Peterson, D.	Stoa
Blatz	Jacobs	McCarron	Piepho	Swanson
Byrne	Jaros	McDonald	Pleasant	Tomlinson
Carlson, L.	Jude	McEachern	Reding	Valento
Cassery	Kahn	Metzen	Rees	Vanasek
Clark	Kaley	Munger	Reif	Voss
Clawson	Kelly	Nelsen, B.	Rice	Weaver
Crandall	Kempe	Nelson	Rose	Weich
Drew	Knickerbocker	Norman	Rothenberg	Wenzel
Ellingson	Kostohryz	Novak	Sarna	Wynia
Faricy	Kroening	Olsen	Schreiber	Zubay
Fritz	Kvam	Osthoff	Searles	Spkr. Norton

Those who voted in the negative were:

Aasness	Brinkman	Evans	Mann	Rodriguez
Anderson, B.	Carlson, D.	Fjoslien	Mehrkens	Stadum
Anderson, D.	Corbid	Fudro	Minne	Stowell
Anderson, G.	Dempsey	Haukoos	Murphy	Sviggum
Anderson, I.	Den Ouden	Jennings	Nelsen, M.	Thiede
Anderson, R.	Eken	Johnson, C.	Niehaus	Valan
Battaglia	Elioff	Johnson, D.	Nysether	Waldorf
Begich	Erickson	Kalis	Onnen	Wieser
Biersdorf	Esau	Luknic	Redalen	Wigley

The bill was repassed, as amended by Conference, and its title agreed to.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Kaley, Stadum and Valan were excused while in conference committee.

Carlson, D., was excused from 2:30 p.m. to 4:00 p.m.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as a Special Order to be acted upon immediately following Special Orders pending for Friday, March 28, 1980:

S. F. Nos. 2184, 2045, 1759, 2095, 2062, 1865, 1649, 1775, 133, 407, 682, 797, 971, 1295, 1726, 1132, 1144, 1358, 1662, 1802, 2077, 1398, 2183, 2193, 1658, 119, 134, 2104, 2131, 251, 630, 895, 1644, 1741 and 1605; H. F. No. 1991 and S. F. No. 1618.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1843, A bill for an act relating to transportation; establishing a state rail bank for abandoned rail lines; amending Minnesota Statutes 1978, Chapter 222, by adding a section;

Minnesota Statutes, 1979 Supplement, Sections 174.03, Subdivision 4; 222.50, Subdivision 7; and 222.65.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Stern, Nichols and Kirchner have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Lehto moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 1843. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 2134, A bill for an act relating to natural resources; providing for analysis of hydroelectric generating capacity of publicly owned dams; clarifying provisions relating to the administration of and authorization for dam repair and reconstruction grants; authorizing the employment of a person to administer grants; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 1 and 4; Minnesota Statutes, 1979 Supplement, Section 105.482, Subdivisions 3 and 5a; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Willet, Humphrey and Dunn have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Lehto moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 2134. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1875, A bill for an act relating to commerce; providing for ownership rights in dies and molds under certain conditions.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Keefe, J.; Gunderson and Olson have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jacobs moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 1875. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1141, A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory committees; establishing a statewide interpreter referral service; providing for a program of training and employment; prescribing duties for the commissioner of public welfare; establishing an office on hearing impairment; providing for an advisory committee for the state council for the handicapped; prescribing duties for the department of health; providing for a study by the state planning agency; appropriating money.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Mrs. Staples, Messrs. Kirchner and Nelson have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Heinitz moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 1141. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 480, A bill for an act relating to public health; authorizing the funding of a statewide poison information center; giving grant and program monitoring responsibilities to the commissioner of health; appropriating money.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Mrs. Staples, Messrs. Kirchner and Nelson have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Onnen moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 480. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1835, 2113, 2244 and 2263.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1717 and 1984.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted :

S. F. Nos. 1028 and 1636.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted :

S. F. No. 2099.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted :

S. F. No. 2166.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF THE SENATE BILLS

S. F. No. 1835, A bill for an act relating to education; clarifying a term and removing obsolete language in provisions governing school district dissolution and attachment procedure, the consolidation procedure, the procedure for reorganizing a common school district, the procedure for calling special meetings in common school districts, actions against certain school board members, actions against certain school employees, and the establishment of certain libraries; amending Minnesota Statutes 1978, Section 122.22, Subdivisions 2 and 4; 122.23, Subdivisions 9 and 10; 122.25, Subdivision 1; 123.11, Subdivision 7; 127.09; 127.11; and 134.08.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 2113, A bill for an act relating to education; modifying the employment status of certain substitute teachers; amending Minnesota Statutes 1978, Section 123.35, Subdivision 5.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

S. F. No. 2244, A bill for an act relating to Independent School Districts Nos. 279 (Osseo) and 286 (Brooklyn Center); providing for transfers of territory between the districts.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

S. F. No. 2263, A bill for an act relating to education; requiring a school board to provide certain teachers on extended leaves of absence with certain health care benefits under certain conditions; amending Minnesota Statutes 1978, Section 125.60, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 1717, A bill for an act relating to retirement; local police and salaried firefighters relief association; providing limited annual automatic post retirement adjustments for certain newly employed, active and retired local relief association members with municipal approval.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 1984, A bill for an act relating to attachment, garnishment and executions; exempting certain insurance contracts, employee benefits and rights of action from garnishment or attachment; amending Minnesota Statutes 1978, Section 550.37, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1028, A bill for an act relating to trade regulation; prohibiting certain unfair and deceptive practices and unreasonable restraints of trade in the business of motion picture distribution; prescribing penalties.

The bill was read for the first time.

Cassery moved that S. F. No. 1028 and H. F. No. 1035, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1636, A bill for an act relating to state government; requiring certain state-leased space and state agency meetings to be accessible to physically handicapped persons; requiring certain auxiliary aids for physically handicapped participants at state agency meetings; appropriating money; providing penalties; amending Minnesota Statutes 1978, Section 16.85, Subdivisions 1b, 1c, 1d, and by adding a subdivision; and Chapter 15, by adding a section.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 2099, A bill for an act relating to housing; permitting an increase in certain grants made by the housing finance agency; authorizing limitations on the assumability of mortgages made or purchased by a state or local agency; creating a veteran's housing assistance program; modifying the program for moderate rehabilitation of rental properties; changing municipal housing rehabilitation programs; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, Subdivision 17, and by adding a subdivision; 462A.06, Subdivision 11; 462A.21, by adding a subdivision and Minnesota Statutes, 1979 Supplement, Sections 462A.05, Subdivision 15; 462A.21, Subdivision 11; 462C.03, by adding a subdivision; and 462C.05, Subdivision 1.

The bill was read for the first time.

Schreiber moved that S. F. No. 2099 and H. F. No. 1991, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2166, A bill for an act relating to the cities of Minneapolis, Bloomington and Winona; authorizing the creation of an economic development and redevelopment agency or department; granting powers of the port authority to the city of Bloomington; providing powers and conditions of debt for the port authority of Winona; providing for hearings for the issuance of industrial revenue bonds; amending Minnesota Statutes 1978, Section 458.192, Subdivision 1, and by adding subdivisions; and Minnesota Statutes, 1979 Supplement, Sections 462C.07, Subdivision 3; and 474.01, Subdivision 7b.

The bill was read for the first time.

Long moved that S. F. No. 2166 and H. F. No. 2320, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bills: H. F. No. 1781 and S. F. No. 364.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, H., requested immediate consideration of S. F. No. 49.

S. F. No. 49 was reported to the House.

Novak moved to amend S. F. No. 49 as follows:

Page 3, line 24, delete "\$2,500", insert "\$1,500"

Page 3, line 31, after "allowable" insert ", for amounts paid in cash,"

Page 3, line 32, delete "\$2,500", insert "\$1,500"

Page 4, line 5, delete "amount", insert "amounts paid in cash"

Page 4, line 9, after "amounts" insert "paid in cash"

Page 6, line 11, after the period insert

"(3) Paragraph (1) shall not apply to the distribution of any contribution paid during any taxable year to an individual housing account to the extent that the contribution exceeds the amount allowable as a deduction under this subdivision and no deduction was allowed under this subdivision with respect to the excess contribution."

Page 6, line 12, delete "(3)", insert "(4)"

Page 7, line 27, delete "deduction", insert "contribution"

Page 7, line 30, delete "(d)", insert "(c)"

Page 7, line 32, before "There" insert "In addition to the tax liability of the individual under chapter 290 for the taxable year,"

Page 10, line 24, after "withdrawn" insert "and for which a deduction was allowed"

Page 10, after line 31 insert

"Sec. 8. Minnesota Statutes, 1979 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 this chapter 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.

The amendments made to sections 219(c) (3) and 220(c) (4) (extending the time for which a taxpayer is deemed to have made a contribution to an individual retirement account for the taxable year) by section 157(a) of P.L. 95-600 shall be effective for taxable years beginning after December 31, 1977.

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) (7) or under section 290.09, subdivision 24;

(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;

(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;

(12) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses realized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(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; and

(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).

(16) *The amount of a distribution from an individual housing account which is to be included in gross income as required under clause (c) of section 290.09, subdivision 30.*

(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 50 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) To the extent included in federal adjusted gross income, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, 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 firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, as amended through December 31, 1977. The maximum amount of this subtraction shall be \$10,000 less the amount by which the individual's federal adjusted gross income exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$10,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(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;

(8) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain realized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(9) 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;

(10) 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;

(11) The amount of gain on the sale of the taxpayer's residence excluded from the federal gross income of the taxpayer pursuant to section 121 of the Internal Revenue Code of 1954, as amended through December 31, 1978 provided that a taxpayer who elects under that section shall not, for the purpose of this subdivision, also take an exclusion according to the provisions of section 121 of the Internal Revenue Code, as amended through December 31, 1976;

(12) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota; and

(13) The amount of any income earned for personal services rendered prior to the date when the taxpayer became a resident of Minnesota.

(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 chap-

ter, 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.

Page 10, line 32, delete "8", insert "9"

Page 10, line 33, delete "1978", insert "1979"

Amend the title as follows:

Line 11, after "section" insert "; and Minnesota Statutes, 1979 Supplement, Section 290.01, Subdivision 20"

The motion prevailed and the amendment was adopted.

Tomlinson moved to amend S. F. No. 49, as amended, as follows:

Page 10, line 33, delete "1979" insert "1980"

The motion prevailed and the amendment was adopted.

S. F. No. 49, 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 1978, Sections 48.159; 50.157; 51A.21, by adding a subdivision; 290.09, by adding a subdivision; 290.17, Subdivision 2; and Chapter 52, by adding a section.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Battaglia	Clark	Ellingson	Fritz
Adams	Begich	Clawson	Erickson	Fudro
Ainley	Berglin	Corbid	Esau	Greenfield
Albrecht	Berkelman	Crandall	Evans	Halberg
Anderson, B.	Blatz	Dean	Ewald	Haukoos
Anderson, D.	Brinkman	Dempsey	Faricy	Heap
Anderson, G.	Byrne	Drew	Fjoslien	Heinitz
Anderson, I.	Carlson, L.	Eken	Forsythe	Hoberg
Anderson, R.	Casserly	Elioff	Friedrich	Hokanson

Jacobs	Long	Norman	Rice	Valento
Jaros	Ludeman	Novak	Rodriguez	Vanasek
Jennings	Luknic	Nysether	Rose	Voss
Johnson, C.	Mann	Olsen	Rothenberg	Waldorf
Johnson, D.	McCarron	Onnen	Sarna	Weaver
Jude	McDonald	Osthoff	Schreiber	Welch
Kahn	McEachern	Otis	Searles	Welker
Kalis	Mehrkens	Patton	Sherwood	Wenzel
Kelly	Metzen	Peterson, B.	Sieben, H.	Wieser
Kempe	Minne	Peterson, D.	Sieben, M.	Wigley
Knickerbocker	Moe	Piepho	Simoneau	Wynia
Kostohryz	Munger	Pleasant	Stoa	Zubay
Kroening	Murphy	Prahl	Stowell	Spkr. Norton
Kvam	Nelsen, B.	Redalen	Sviggum	
Laidig	Nelsen, M.	Reding	Swanson	
Lehto	Nelson	Rees	Thiede	
Levi	Niehaus	Reif	Tomlinson	

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

SPECIAL ORDERS

S. F. No. 1708 was reported to the House.

There being no objection S. F. No. 1708 was continued temporarily.

S. F. No. 2071, A bill for an act relating to financial institutions; providing that certain agreements taken by a bank and subject to a certain percentage limitation will not constitute a liability against it; providing for a different percentage limitation in certain cases; amending Minnesota Statutes 1978, Section 48.24, Subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Crandall	Heap	Laidig	Niehaus
Ainley	Dean	Heinitz	Lehto	Norman
Anderson, D.	Dempsey	Hoberg	Levi	Novak
Anderson, G.	Drew	Hokanson	Long	Nysether
Anderson, I.	Eken	Jacobs	Ludeman	Olsen
Anderson, R.	Elioff	Jaros	Luknic	Onnen
Battaglia	Ellingson	Jennings	McCarron	Osthoff
Begich	Erickson	Johnson, C.	McDonald	Otis
Berglin	Esau	Johnson, D.	McEachern	Patton
Berkelman	Evans	Jude	Mehrkens	Peterson, B.
Biersdorf	Ewald	Kahn	Metzen	Peterson, D.
Blatz	Fariely	Kalis	Minne	Piepho
Brinkman	Fjoslien	Kelly	Moe	Pleasant
Byrne	Forsythe	Kempe	Munger	Prahl
Carlson, L.	Fudro	Knickerbocker	Murphy	Redalen
Cassarly	Greenfield	Kostohryz	Nelsen, B.	Reding
Clark	Halberg	Kroening	Nelsen, M.	Rees
Corbid	Haukoos	Kvam	Nelson	Reif

Rodriguez	Searles	Stowell	Vanasek	Wieser
Rose	Sherwood	Sviggum	Voss	Wigley
Rothenberg	Sieben, H.	Swanson	Waldorf	Wynia
Sarna	Sieben, M.	Thiede	Weaver	Zubay
Schreiber	Simoneau	Tomlinson	Welker	Spkr. Norton
Searle	Stoa	Valento	Wenzel	

Those who voted in the negative were:

Fritz Rice

The bill was passed and its title agreed to.

S. F. No. 2117 was reported to the House.

Johnson, D., moved to amend S. F. No. 2117 as follows:

Page 3, line 30, before the period insert "*: provided, that the maximum interest rate increase or decrease shall be equal to one-half of one percent per year multiplied by the number of years in the loan term with a maximum net increase or decrease of five percent over the life of the mortgage*"

Page 3, line 30, delete "*The*"

Page 3, delete lines 31 and 32

Page 3, line 33, delete everything before "*Interest*"

Page 4, line 28, before the period insert "*: provided, that the maximum interest rate increase or decrease shall be equal to one-half of one percent per year multiplied by the number of years in the loan term with a maximum net increase or decrease of five percent over the life of the mortgage*"

Page 4, line 28, delete everything after the period

Page 4, delete lines 29 and 30

Page 4, line 31, delete everything before "*Interest*"

The motion prevailed and the amendment was adopted.

Wynia moved to amend S. F. No. 2117, as amended, as follows:

Page 3, line 29, delete "*then*"

Page 3, line 30, after "*loans*" insert "*determined 60 days before the due date of the loan*"

Page 4, after line 5, insert:

"Sixty days before the due date of the loan, the savings bank shall send a written notification to the borrower containing the following information: (i) The date on which the entire balance of borrower's loan is due and payable; (ii) a statement that the loan will be renewed automatically by the savings bank at the rate specified in the notice unless the borrower pays the loan by the due date; (iii) the amount of the monthly payment, calculated according to the new rate determined at the time of notice; (iv) a statement that the borrower may prepay the loan without penalty at any time after the original loan becomes due and payable; (v) the cost, if any, of document preparation and recording; and (vi) the name and phone number of a savings bank employee who will answer the borrowers' questions concerning the information in the notice.

An applicant for a renegotiable rate mortgage loan must be given, at the time an application is requested, written disclosure materials prepared in reasonably simple terms that contain at least the following information: (i) An explanation of how a renegotiable rate mortgage differs from a standard fixed rate mortgage; (ii) an example of a renegotiable rate mortgage indicating the maximum possible interest rate increase and monthly payment calculated on that rate at the time of the first renewal; (iii) an explanation of how the savings bank determines what the rate will be at the end of each loan term; and (iv) an estimate of possible costs of renewal."

Page 4, line 27, delete "then"

Page 4, line 28, after "loans" insert "determined 60 days before the due date of the loan"

Page 5, after line 3, insert:

"Sixty days before the due date of the loan, the association shall send a written notification to the borrower containing the following information: (i) The date on which the entire balance of borrower's loan is due and payable; (ii) a statement that the loan will be renewed automatically by the association at the rate specified in the notice unless the borrower pays the loan by the due date; (iii) the amount of the monthly payment, calculated according to the new rate determined at the time of notice; (iv) a statement that the borrower may prepay the loan without penalty at any time after the original loan becomes due and payable; (v) the cost, if any, of document preparation and recording; and (vi) the name and phone number of an association employee who will answer the borrowres' questions concerning the information in the notice.

An applicant for a renegotiable rate mortgage loan must be given, at the time an application is requested, written disclosure materials prepared in reasonably simple terms that contain at

least the following information: (i) An explanation of how a renegotiable rate mortgage differs from a standard fixed rate mortgage; (ii) an example of a renegotiable rate mortgage indicating the maximum possible interest rate increase and monthly payment calculated on that rate at the time of the first renewal; (iii) an explanation of how the association determines what the rate will be at the end of each loan term; and (iv) an estimate of possible costs of renewal."

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE

On the motion of Anderson, I., and on the demand of 10 members, a call of the house was ordered. The following members answered to their names:

Aasness	Erickson	Knickerbocker	Novak	Stadum
Adams	Esau	Kostohryz	Nysether	Stoa
Ainley	Evans	Kroening	Olsen	Stowell
Albrecht	Faricy	Kvam	Onnen	Sviggrum
Anderson, D.	Fjoslien	Laidig	Osthoff	Swanson
Anderson, G.	Forsythe	Lehto	Otis	Thiede
Anderson, I.	Friedrich	Levi	Patton	Tomlinson
Anderson, R.	Fritz	Long	Peterson, B.	Valan
Battaglia	Fudro	Ludeman	Peterson, D.	Valento
Begich	Greenfield	Luknic	Piepho	Vanasek
Berglin	Halberg	Mann	Pleasant	Voss
Berkelman	Haukoos	McCarron	Prahl	Waldorf
Blatz	Heap	McDonald	Redalen	Weaver
Brinkman	Heinitz	McEachern	Reding	Welch
Byrne	Hoberg	Mehrken	Rees	Welker
Carlson, L.	Hokanson	Metzen	Reif	Wenzel
Clark	Jacobs	Minne	Rice	Wieser
Clawson	Jennings	Moe	Rodriguez	Wigley
Crandall	Johnson, C.	Munger	Rose	Wynia
Dean	Johnson, D.	Murphy	Rothenberg	Zubay
Dempsey	Jude	Nelsen, B.	Searle	Spkr. Norton
Den Ouden	Kahn	Nelsen, M.	Searles	
Drew	Kalis	Nelson	Sherwood	
Elioff	Kelly	Niehaus	Sieben, M.	
Ellingson	Kempe	Norman	Simoneau	

Anderson, I., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

S. F. No. 2117, A bill for an act relating to commerce; providing for investments in certain loans by savings banks and savings associations; defining terms; exempting savings associations from licensing and bonding requirements of safe deposit companies; deleting the dollar limitation on examination fees; amending Minnesota Statutes 1978, Sections 50.14, Subdivision 5; 51A.02, Subdivisions 8 and 17, and by adding a subdivision; 51A.37, Subdivision 3; 55.06, Subdivision 1; and 55.095.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion did not prevail.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 61 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Knickerbocker	Osthoff	Sviggum
Adams	Esau	Kvam	Piepho	Thiede
Ainley	Evans	Levi	Pleasant	Valan
Albrecht	Forsythe	Ludeman	Redalen	Valento
Anderson, R.	Friedrich	Luknic	Reding	Weaver
Biersdorf	Halberg	Mann	Rees	Welker
Brinkman	Haukoos	McDonald	Reif	Wieser
Corbid	Heap	Mehrkens	Rose	Wigley
Crandall	Heinitz	Nelsen, B.	Searle	Zubay
Dean	Hoberg	Niehaus	Searles	
Dempsey	Jennings	Norman	Sherwood	
Den Ouden	Johnson, D.	Nysether	Stadum	
Drew	Kaley	Onnen	Stowell	

Those who voted in the negative were:

Anderson, B.	Elioff	Kalis	Murphy	Sarna
Anderson, D.	Ellingson	Kelly	Nelsen, M.	Sieben, H.
Anderson, G.	Ewald	Kempe	Nelson	Sieben, M.
Anderson, I.	Faricy	Kostohryz	Novak	Simoneau
Battaglia	Fjoslien	Kroening	Olsen	Stoa
Begich	Fritz	Laidig	Otis	Swanson
Berglin	Fudro	Lehto	Patton	Tomlinson
Berkelman	Greenfield	Long	Pehler	Vanasek
Blatz	Hokanson	McCarron	Peterson, B.	Voss
Byrne	Jacobs	McEachern	Peterson, D.	Waldorf
Carlson, L.	Jaros	Metzen	Prahl	Welch
Casserly	Johnson, C.	Minne	Rice	Wenzel
Clark	Jude	Moe	Rodriguez	Wynia
Clawson	Kahn	Munger	Rothenberg	Spkr. Norton

The bill was not passed, as amended.

CALL OF THE HOUSE LIFTED

Jennings moved that the called of the House be dispensed with. The motion prevailed and it was so ordered.

S. F. No. 523 was reported to the House.

Fudro offered an amendment to S. F. No. 523.

POINT OF ORDER

Rice raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 523, A bill for an act relating to highway traffic regulations; limiting the length of certain vehicles and combinations of vehicles; prescribing a fee for certain permits; amending Minnesota Statutes 1978, Section 169.81, Subdivision 3, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Jude	Nelson	Searles
Adams	Elioff	Kahn	Niehaus	Sherwood
Ainley	Ellingson	Kalis	Norman	Sieben, H.
Albrecht	Erickson	Kelly	Novak	Sieben, M.
Anderson, B.	Esau	Kempe	Nysether	Simoneau
Anderson, D.	Evans	Knickerbocker	Olsen	Stadum
Anderson, G.	Ewald	Kostohryz	Onnen	Stoa
Anderson, I.	Faricy	Kroening	Osthoff	Stowell
Anderson, R.	Fjoslien	Kvam	Otis	Swanson
Battaglia	Forsythe	Laidig	Patton	Thiede
Begich	Friedrich	Levi	Pehler	Tomlinson
Berglin	Fritz	Long	Peterson, B.	Valan
Berkelman	Fudro	Ludeman	Peterson, D.	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Halberg	McCarron	Prahl	Voss
Byrne	Haukoos	McDonald	Redalen	Waldorf
Carlson, D.	Heap	McEachern	Reding	Weaver
Carlson, L.	Heinitz	Mehrkens	Rees	Welch
Cassery	Hoberg	Metzen	Rice	Welker
Clark	Hokanson	Minne	Rodriguez	Wenzel
Corbid	Jacobs	Munger	Rose	Wieser
Dean	Jennings	Murphy	Rothenberg	Wigley
Den Ouden	Johnson, C.	Nelsen, B.	Sarna	Wynia
Drew	Johnson, D.	Nelsen, M.	Schreiber	Zubay

The bill was passed and its title agreed to.

CALL OF THE HOUSE

On the motion of Faricy and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Anderson, G.	Brinkman	Corbid	Elioff
Adams	Anderson, I.	Byrne	Crandall	Ellingson
Ainley	Anderson, R.	Carlson, D.	Dean	Esau
Albrecht	Battaglia	Carlson, L.	Dempsey	Evans
Anderson, B.	Begich	Clark	Den Ouden	Ewald
Anderson, D.	Berglin	Clawson	Drew	Faricy

Fjoslien	Kalis	Nelsen, B.	Redalen	Thiede
Forsythe	Kelly	Nelson	Reding	Tomlinson
Friedrich	Kempe	Niehaus	Rees	Valan
Fritz	Knickerbocker	Norman	Reif	Valento
Fudro	Kostohryz	Novak	Rice	Vanasek
Greenfield	Kroening	Nysether	Rodriguez	Waldorf
Halberg	Kvam	Olsen	Rose	Weaver
Haukoos	Laidig	Onnen	Rothenberg	Welker
Heap	Levi	Osthoff	Searle	Wenzel
Heinitz	Ludeman	Otis	Sherwood	Wieser
Hoberg	Luknic	Patton	Sieben, H.	Wigley
Hokanson	Mann	Pehler	Sieben, M.	Wynia
Jacobs	McEachern	Peterson, B.	Stadum	Zubay
Jennings	Mehrkens	Peterson, D.	Stoa	Spkr. Norton
Johnson, C.	Metzen	Piepho	Stowell	
Jude	Minne	Pleasant	Sviggum	
Kahn	Murphy	Prahl	Swanson	

Faricy moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

S. F. No. 2067; A bill for an act relating to motor vehicles; increasing the maximum interest rate on certain loans under the Motor Vehicle Retail Installment Sales Act; amending Minnesota Statutes 1978, Section 168.72.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 81 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Knickerbocker	Osthoff	Sviggum
Adams	Erickson	Kvam	Patton	Swanson
Ainley	Esau	Levi	Pehler	Thiede
Albrecht	Evans	Ludeman	Peterson, B.	Valan
Anderson, B.	Ewald	Luknic	Piepho	Valento
Anderson, D.	Fjoslien	Mann	Pleasant	Vanasek
Anderson, G.	Forsythe	McDonald	Redalen	Voss
Anderson, R.	Friedrich	McEachern	Reding	Welch
Battaglia	Halberg	Mehrkens	Rees	Welker
Blatz	Haukoos	Metzen	Reif	Wenzel
Brinkman	Heinitz	Murphy	Rose	Wieser
Carlson, D.	Hoberg	Nelsen, B.	Schreiber	Wigley
Corbid	Jacobs	Niehaus	Searle	Zubay
Crandall	Jennings	Norman	Searles	
Dean	Johnson, C.	Nysether	Sherwood	
Dempsey	Johnson, D.	Olsen	Stadum	
Den Ouden	Kalis	Onnen	Stowell	

Those who voted in the negative were:

Anderson, I.	Ellingson	Kelly	Nelson	Stoa
Begich	Faricy	Kempe	Novak	Tomlinson
Berglin	Fritz	Kostohryz	Otis	Waldorf
Byrne	Fudro	Kroening	Peterson, D.	Weaver
Carlson, L.	Greenfield	Laidig	Prahl	Wynia
Casserly	Heap	Lehto	Rice	Spkr. Norton
Clark	Hokanson	Long	Rodriguez	
Clawson	Jaros	McCarron	Rothenberg	
Eken	Jude	Minne	Sieben, H.	
Elioff	Kahn	Munger	Sieben, M.	

The bill was passed and its title agreed to.

S. F. No. 789 was reported to the House.

Pleasant moved to amend S. F. No. 789 as follows:

Page 1, line 8, delete "16" and insert "17"

Page 1, line 11, delete "16" and insert "17"

Page 2, line 3, after "means" delete "an" and insert "the total of any"

Page 2, line 4, after "to" insert "or for the benefit of"

Page 2, line 6, after "acceptance" insert "or maintenance"

Page 2, line 20, after "a" delete "document" and insert "contract"

Page 2, delete line 21

Page 2, line 22, delete "resident for signing and"

Page 2, line 23, delete "and"

Page 2, line 24, delete "and"

Page 2, line 25, after "agreement" insert "and (d) sets forth the obligation of the provider"

Page 2, after line 25, insert

"Subd. 11. "Person" means any individual, corporation, business trust, trust, partnership, unincorporated association, two or more of any of the foregoing having a joint or common interest or any legal or commercial entity.

Subd. 12. "Affiliate of another person" means any person directly or indirectly controlling, controlled by or under common control with such other person.

Subd. 13. "Offer" includes every inducement, solicitation or attempt to encourage a person to enter into a subscription or residency agreement.

Page 4, line 1, delete *"that the person has, or that has in the person"* and insert *"which the person has, or which has in the person"*

Page 5, line 3, after the period insert: *"Registration shall be by entry in a book called Register of Continuing Care Facilities, which entry shall show the care facility registered, for whom registered, and shall specify the conditions, limitations, and restrictions upon the registration, if any, or shall make proper reference to a formal order of the commissioner on file showing the conditions, limitations, and restrictions."*

Page 5, line 10, after *"into"* insert *"or the persons legal representative,"*

Page 6, line 4, after *"The"* insert *"goods and"*

Page 6, line 7, after *"which"* insert *"goods and"*

Page 6, line 9, after *"which"* insert *"goods and"*

Page 6, line 10, after *"charge"* insert *"and whether they are provided by an affiliate"*

Page 7, line 26, after *"(j)"* delete rest of line and insert *"Financial statements of the provider which shall be prepared in accordance with generally accepted accounting principles and audited by an independent certified public accountant who shall express an opinion thereon and shall include"*

Page 7, line 27, delete *"including"*

Page 9, line 8, after *"expenses"* insert *"and the basis therefor"*

Page 9, line 12, delete *"assumptions"* and insert *"criteria"*

Page 9, line 29, delete *"type face"* and insert *"in boldface type"*

Page 11, after line 19, insert

"(c) The statement shall disclose the names of any affiliates who may provide goods or services."

Page 12, line 5, delete *"personal"* and insert *"legal"*

Page 14, line 25, delete "may be" and insert "is"

Page 15, line 21, delete "the" and insert "any" after "withdrawal" insert "from the reserve fund and the reasons therefor" delete "corporation, partnership," and insert "person or affiliate of any person"

Page 15, line 22, delete "trust, association, firm or professional service"

Page 15, line 31, after "notice" insert "by any resident desiring to terminate" and after "nor" insert "require"

Page 17, line 14, after [FEES.] insert:

"Subdivision 1."

Page 17, after line 18, insert:

"Subd. 2. A person with a registration in effect shall, within 30 days after the occurrence of any material change in the information on file with the commissioner, notify the commissioner in writing of the change by an application to amend the registration accompanied by a fee of \$50. The commissioner may by rule define what shall be considered a material change for such purposes, and may determine the circumstances under which a revised disclosure statement must accompany the application. If the amendment is approved by the commissioner, it shall become effective upon the issuance by the commissioner of an order amending the registration.

Subd. 3. Every request for a written opinion from the commissioner shall be accompanied by a fee of \$50.

Subd. 4. The commissioner shall furnish upon reasonable request to any person photostatic or other copies of documents filed with the commissioner at a charge of fifty cents per page or fraction thereof.

Subd. 5. A document is filed when it is received by the commissioner. No filing for which a fee is required shall be deemed to be filed or given any effect until the proper fee is paid."

Page 21, line 8 after "hereunder" insert "or to verify statements contained in the application for registration, or the disclosure statement"

Page 22, after line 22, insert:

"Sec. 17. [FILING OF SALES LITERATURE.] The commissioner may by rule or order require the filing of any prospectus, pamphlet, circular, form, letter, advertisement, or other sales

literature or advertising communication addressed or intended for distribution to prospective residents. Any such sales or advertising literature shall be filed with the commissioner at least five days prior to the first publication thereof unless such advertisement has been exempted by rule of the commissioner."

Renumber sections and correct cross-references as necessary

Page 24, line 9, delete "16" and insert "17"

The motion prevailed and the amendment was adopted.

Pleasant moved to amend S. F. No. 789, as amended, as follows:

Page 15, line 1, before "As" insert "*Subdivision 1.*"

Page 15, after line 27, insert:

"Subd. 2. In those instances where a provider has been offering continuing care in a facility since prior to January 1, 1975, the following shall apply. The provider shall establish a reserve escrow fund and shall contribute to it a portion of each new entrance fee in a percentage to be determined by the commissioner. The funds thereby received shall be permitted to accumulate until there is in the reserve fund an amount equal to the total of all principal and interest payments due during the next 12 months on account of any first mortgage loan or other long term financing obligation of the facility. The commissioner may by rule or order require of any facility subject to the lower escrow requirements of subdivision 2, the posting of a surety bond in an amount sufficient to protect the total of all principal and interest payments due during the next 12 months on account of any first mortgage loan or other long term financing obligation of the facility. A copy of the bond is to be filed with the commissioner."

The motion prevailed and the amendment was adopted.

Pleasant moved to amend S. F. No. 789, as amended, as follows:

Page 2, delete lines 20 to 25

Renumber subdivisions in sequence

Page 12, line 10, delete "*subscription*" and insert "*written*"

Page 12, line 11, delete "*subscription*" and insert "*written*"

The motion prevailed and the amendment was adopted.

Rees, Heinitz, Metzen, Patton and Hoberg moved to amend S. F. No. 789, as amended, as follows:

Page 1, before line 8, insert:

"Section 1. Minnesota Statutes 1978, Section 45.01, is amended to read:

45.01 [DEPARTMENT ESTABLISHED; COMMISSION.] The department of commerce shall be under the supervision and control of a commission composed of a commissioner of banks, a commissioner of insurance, and a commissioner of securities *and real estate*. The commission shall be organized in three divisions: a banking division in charge of the commissioner of banks; an insurance division in charge of the commissioner of insurance; and a securities *and real estate* division in charge of the commissioner of securities *and real estate*. The commission shall adopt a seal with the words "Department of Commerce of Minnesota" and such design as the commission shall prescribe engraved thereon, by which seal the commission shall authenticate its signatures and proceedings.

Sec. 2. [REVISOR OF STATUTES.] *In the next and subsequent editions of the Minnesota Statutes, the revisor of statutes shall make the changes in terminology as may be necessary to effect the changes in the name of the division of securities by section 1.*"

ReNUMBER subsequent sections

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "renaming the securities division of the department of commerce;"

Page 1, line 5, delete "Section" and insert "Sections 45.01; and"

The motion prevailed and the amendment was adopted.

Olsen offered an amendment to S. F. No. 789.

POINT OF ORDER

Tomlinson raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 789, A bill for an act relating to commerce; registering and regulating continuing care facilities; providing a lien; providing for disclosure; providing a penalty; amending Minnesota Statutes 1978, Section 82.18.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Niehaus	Sherwood
Adams	Eken	Kalis	Norman	Sieben, H.
Ainley	Elioff	Kelly	Novak	Sieben, M.
Albrecht	Ellingson	Kempe	Nysether	Stadum
Anderson, B.	Erickson	Knickerbocker	Olsen	Stoa
Anderson, D.	Evans	Kostohryz	Osthoff	Stowell
Anderson, G.	Ewald	Kroening	Otis	Sviggum
Anderson, I.	Faricy	Kvam	Patton	Swanson
Anderson, R.	Fjoslien	Laidig	Pehler	Thiede
Battaglia	Forsythe	Lehto	Peterson, B.	Tomlinson
Begich	Friedrich	Levi	Peterson, D.	Valento
Berglin	Fritz	Long	Piepho	Vanasek
Berkelman	Fudro	Luknic	Pleasant	Voss
Blatz	Greenfield	Mann	Prahl	Waldorf
Brinkman	Halberg	McCarron	Redalen	Weaver
Byrne	Haukoos	McDonald	Reding	Weich
Carlson, L.	Heap	McEachern	Rees	Wenzel
Casserly	Heinitz	Mehrkens	Reif	Wieser
Clark	Hoberg	Metzen	Rice	Wigley
Clawson	Hokanson	Minne	Rodriguez	Wynia
Corbid	Jacobs	Munger	Rose	Zubay
Crandall	Jaros	Murphy	Rothenberg	Sprk. Norton
Dean	Johnson, C.	Nelsen, B.	Sarna	
Dempsey	Johnson, D.	Nelsen, M.	Searle	
Den Ouden	Jude	Nelson	Searles	

Those who voted in the negative were:

Jennings Ludeman Welker

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

S. F. No. 704, A bill for an act relating to savings banks; authorizing service corporations and also authorizing certain detached facilities; amending Minnesota Statutes 1978, Chapter 50, by adding sections.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Berglin	Corbid	Esau	Heap
Adams	Berkelman	Crandall	Evans	Heinitz
Ainley	Blatz	Dean	Ewald	Hoberg
Anderson, B.	Brinkman	Dempsey	Faricy	Hokanson
Anderson, D.	Byrne	Den Ouden	Fjoslien	Jacobs
Anderson, G.	Carlson, D.	Drew	Friedrich	Jennings
Anderson, I.	Carlson, L.	Eken	Fritz	Johnson, C.
Anderson, R.	Casserly	Elioff	Fudro	Johnson, D.
Battaglia	Clark	Ellingson	Greenfield	Jude
Begich	Clawson	Erickson	Haukoos	Kahn

Kalis	McDonald	Onnen	Rose	Valan
Kelly	McEachern	Osthoff	Rothenberg	Valento
Kempe	Mehrkens	Otis	Sarna	Vanasek
Knickerbocker	Metzen	Patton	Searles	Voss
Kostohryz	Minne	Pehler	Sherwood	Waldorf
Kroening	Munger	Peterson, B.	Sieben, H.	Weaver
Kvam	Murphy	Peterson, D.	Sieben, M.	Welch
Laidig	Nelsen, B.	Piepho	Simoneau	Wenzel
Lehto	Nelsen, M.	Pleasant	Stadum	Wieser
Levi	Nelson	Redalen	Stoa	Wigley
Long	Niehaus	Reding	Stowell	Wynia
Ludeman	Norman	Rees	Sviggum	Zubay
Luknic	Novak	Reif	Swanson	Spkr. Norton
Mann	Nysether	Rice	Thiede	
McCarron	Olsen	Rodriguez	Tomlinson	

Those who voted in the negative were:

Prahl

The bill was passed and its title agreed to.

CALL OF THE HOUSE LIFTED

Knickerbocker moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

S. F. No. 919 was reported to the House.

Stoa moved to amend S. F. No. 919, the unofficial engrossment, as follows:

Delete section 1 and insert a new section 1 as follows:

"Section 1. [TOWN OF WINONA; EMPLOYMENT OF A BUILDING OFFICIAL.] *The town of Winona in Winona County may employ a building official to administer the provisions of the state building code within the town. Any building official appointed by the town of Winona shall serve at the pleasure of the town board and shall exercise the duties and authority of a building official notwithstanding the provisions of Minnesota Statutes, Section 16.861, relating to the qualifications and certification of a building official.*"

Page 4, line 6, delete "Section 1 is effective the"

Page 4, line 7, delete "day after final enactment." and insert, "Section 1 is effective upon the approval of the town board of supervisors of the town of Winona and upon compliance with Minnesota Statutes, Section 645.021."

Further amend the title as follows:

Page 1, delete lines 3 through 9 and insert "relating to the town of Winona; providing for the employment of a building official by the town of Winona; setting forth time limits for the accrual of certain actions involving construction and improvements to real property; amending Minnesota Statutes 1978, Section 541.051, Subdivisions 1, 2 and 4."

The motion prevailed and the amendment was adopted.

Halberg moved to amend S. F. No. 919 by adding sections 5 and 6 and renumbering:

"Sec. 5. Minnesota Statutes 1978, Section 541.051 is amended by adding a subdivision to read:

Subd. 5. [LIABILITY INSURANCE] Every person performing or furnishing the design, planning, supervision, materials, or observation of construction or construction of an improvement to real property shall, after June 30, 1980, demonstrate proof of financial responsibility arising out of the defective and unsafe condition of the improvement to real property. Proof of financial responsibility may be given by filing with the Commissioner of Insurance:

(a) A certificate that there is in effect an insurance policy providing the following minimum coverages:

(1) \$250,000 because of bodily injury to any one person in any one occurrence, and, subject to said limit for one person, in the amount of \$500,000 because of bodily injury to two or more persons in any one occurrence, and in the amount of \$500,000 because of injury to or destruction of property of others in any one occurrence.

(2) \$250,000 for loss of means of support of any one person in any one occurrence, and, subject to said limit for one person, \$500,000 for loss of means of support of two or more persons in any one occurrence; of

(b) A bond of a surety company with minimum coverages as provided in clause (a), or

(c) A certificate of the state treasurer that the person has deposited with him \$500,000 in cash or securities such as may legally be purchased by savings banks or for trust funds having a market value of \$500,000.

The commissioner of insurance shall by rule organize and maintain an assigned claims plan which will assure the availability of liability insurance coverage required by this subdivision on a fair and equitable basis. Any insurer issuing policies of insurance for the coverage required by this subdivision shall

participate in the plan as a condition of doing business in this state.

Sec. 6. Minnesota Statutes 1978, Section 541.051 is amended by adding a subdivision to read:

Subd. 6. The limitation of action contained in subdivisions 1 and 2 shall not apply unless proof of financial responsibility pursuant to subdivision 5 has been filed with the Commissioner of Insurance."

POINT OF ORDER

Brinkman raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order not well taken and the amendment was in order.

The question recurred on the Halberg amendment. The motion did not prevail and the amendment was not adopted.

Welker offered an amendment to S. F. No. 919.

POINT OF ORDER

Stoa raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 919, A bill for an act relating to the town of Winona; providing for the employment of building officials by the town of Winona.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 105 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Clawson	Heinitz	Levi	Nysether
Adams	Corbid	Hoberg	Long	Olsen
Anderson, B.	Dean	Hokanson	Luknic	Osthoff
Anderson, G.	Dempsey	Jacobs	Mann	Otis
Anderson, I.	Eken	Johnson, C.	McCarron	Patton
Anderson, R.	Elioff	Johnson, D.	McDonald	Pehler
Battaglia	Ellingson	Jude	McEachern	Peterson, B.
Begich	Evans	Kalis	Mehrkens	Peterson, D.
Berkelman	Ewald	Kelly	Metzen	Piepho
Blatz	Faricy	Kempe	Minne	Pleasant
Brinkman	Fjoslien	Knickerbocker	Murphy	Prahl
Byrne	Forsythe	Kostohryz	Nelsen, B.	Redalen
Carlson, D.	Fudro	Kroening	Nelsen, M.	Reding
Carlson, L.	Greenfield	Kvam	Nelson	Rees
Casserly	Haukoos	Laidig	Norman	Reif
Clark	Heap	Lehto	Novak	Rice

Rodriguez	Sherwood	Sviggum	Vanasek	Wieser
Rose	Simoneau	Swanson	Waldorf	Wigley
Sarna	Stadum	Tomlinson	Weaver	Wynia
Searle	Stoa	Valan	Welch	Zubay
Searles	Stowell	Valento	Wenzel	Spkr. Norton

Those who voted in the negative were:

Ainley	Drew	Halberg	Onnen	Thiede
Albrecht	Erickson	Jennings	Sieben, M.	Welker
Berglin	Esau	Ludeman		
Den Ouden	Fritz	Niehaus		

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

S. F. No. 1166 was reported to the House.

Osthoff moved that S. F. No. 1166 be continued and be placed at the bottom of Special Orders. The motion prevailed.

S. F. No. 2184, A bill for an act relating to Special School District No. 1; modifying the district's responsibility to develop a long range building plan and providing certain bonding authority; amending Laws 1963, Chapter 645, Section 3, Subdivision 5; and Laws 1959, Chapter 462, Section 3, Subdivision 7, as amended and renumbered.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 101 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Adams	Elioff	Kalis	Norman	Sherwood
Anderson, B.	Ellingson	Kelly	Novak	Sieben, H.
Anderson, G.	Esau	Kempe	Nysether	Sieben, M.
Anderson, I.	Evans	Knickerbocker	Onnen	Simoneau
Anderson, R.	Ewald	Kostohryz	Osthoff	Stoa
Battaglia	Faricy	Kroening	Otis	Swanson
Begich	Fjoslien	Kvam	Patton	Thiede
Berglin	Forsythe	Laidig	Pehler	Tomlinson
Berkelman	Fudro	Lehto	Peterson, B.	Valan
Blatz	Greenfield	Levi	Peterson, D.	Vanasek
Brinkman	Halberg	Long	Piepho	Voss
Byrne	Haukoos	Luknic	Pleasant	Waldorf
Carlson, D.	Heap	Mann	Prahl	Wenzel
Carlson, L.	Heinitz	McCarron	Reding	Wigley
Casserly	Hoberg	McEachern	Rees	Wynia
Clark	Jacobs	Metzen	Reif	Zubay
Clawson	Jaros	Moe	Rice	Spkr. Norton
Dean	Johnson, C.	Munger	Rodriguez	
Dempsey	Johnson, D.	Murphy	Rose	
Den Ouden	Jude	Nelsen, M.	Searle	
Eken	Kahn	Nelson	Searles	

Those who voted in the negative were:

Ainley	Fritz	Minne	Stadum	Welker
Albrecht	Hokanson	Nelsen, B.	Stowell	Wieser
Drew	Jennings	Niehaus	Sviggum	
Erickson	Ludeman	Olsen	Valento	
Friedrich	McDonald	Redalen	Weaver	

The bill was passed and its title agreed to.

S. F. No. 2045, A bill for an act relating to state lands; providing for the conveyance of certain lands to the city of Owatonna.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kalis	Niehaus	Sherwood
Adams	Drew	Kelly	Norman	Sieben, H.
Ainley	Eken	Kempe	Novak	Sieben, M.
Albrecht	Elioff	Knickerbocker	Nysether	Simoneau
Anderson, B.	Ellingson	Kostohryz	Olsen	Stadum
Anderson, D.	Erickson	Kroening	Onnen	Stoa
Anderson, G.	Esau	Kvam	Osthoff	Stowell
Anderson, I.	Evans	Laidig	Otis	Sviggum
Anderson, R.	Faricy	Lehto	Patton	Thiede
Battaglia	Fjoslien	Levi	Pehler	Tomlinson
Begich	Forsythe	Long	Peterson, B.	Valan
Berglin	Friedrich	Ludeman	Peterson, D.	Valento
Berkelman	Fritz	Luknic	Piepho	Vanasek
Biersdorf	Fudro	Mann	Pleasant	Voss
Blatz	Greenfield	McCarron	Prahl	Waldorf
Brinkman	Haukoos	McDonald	Redalen	Weaver
Byrne	Heap	McEachern	Reding	Welch
Carlson, D.	Heinitz	Mehrkens	Rees	Wenzel
Carlson, L.	Hoberg	Metzen	Reif	Wieser
Casserly	Hokanson	Minne	Rice	Wigley
Clark	Jacobs	Moe	Rodriguez	Wynia
Clawson	Jennings	Munger	Rose	Spkr. Norton
Corbid	Johnson, C.	Murphy	Rothenberg	
Crandall	Johnson, D.	Nelsen, B.	Sarna	
Dean	Jude	Nelsen, M.	Searle	
Dempsey	Kahn	Nelson	Searles	

The bill was passed and its title agreed to.

S. F. No. 1759 was reported to the House.

Kempe moved to amend S. F. No. 1759, the unofficial engrossment, as follows:

Page 4, after line 22, add a new section to read:

"Sec. 7. Minnesota Statutes 1978, Section 436.05, is amended to read:

436.05 [POLICE SERVICE PROVIDED BY SHERIFF.]
Subdivision 1. Any *home rule charter or statutory city*, (OR) town or (AND) the sheriff of (THE) *any county* (IN WHICH THAT GOVERNMENTAL UNIT IS SITUATED) may contract for the furnishing of police service to (THAT UNIT BY THE SHERIFF) *any other home rule charter or statutory city or town*, through the use of personnel and equipment subject to (HIS) *the authority of the contracting unit*. Any such contract shall be approved by (BOTH) a majority of the members of the governing body of (THE) *any contracting home rule charter or statutory city*, the board of supervisors of any contracting town and (BY A MAJORITY OF THE MEMBERS OF) the board of commissioners of (THE) *any contracting county*.

Subd. 2. Except (THAT SERVICE UNDER THE CONTRACT MAY BE SUPPLIED BY ONLY ONE OF THE CONTRACTING PARTIES) *as provided in this section*, any contract authorized by subdivision 1 shall otherwise comply with section 471.59.

Subd. 3. Under any such contract, a person employed by (THE SHERIFF) *a home rule charter or statutory city, town or sheriff of a county* may be empowered to exercise some or all of the police powers and duties of a (CITY OR TOWN) police officer *of the other contracting unit*, but that person shall not by reason thereof be classified as an employee of the (CITY OR TOWN) *other unit* for any purpose other than the discharge of such powers and duties.

Subd. 4. Subdivisions 1, 2, and 3 above do not dispense with procedural requirements of any other act providing for the joint or cooperative exercise of any governmental power.

Subd. 5. The sheriff shall not by virtue of this section be relieved of any duties imposed upon him or his office by law.

Subd. 6. When a contract is entered into (BY THE COUNTY AND ANY MUNICIPALITY) pursuant to the provisions of this section, those employees of (THE MUNICIPALITY) *a contracting unit* who are at the time of the contract working on a full time basis for the (MUNICIPALITY) *unit* in a law enforcement capacity may, by action of the (COUNTY) civil service (COMMISSION) *authorities of the contracting units*, if (THERE BE A COUNTY CIVIL SERVICE COMMISSION) *they exist*, become employees of the (COUNTY) *other contracting unit* in such appropriate classification as may be determined by the (SAID COUNTY) civil service (COMMISSION) *authority of the unit to which they are transferred*, and (SUCH) *thereafter* the employees shall be subject to and protected by the provisions of the laws establishing (SUCH COUNTY) *the civil service (COMMISSION) authority of the unit that employs them.*"

Further amend the title:

Page 1, line 8, after "account;" insert "permitting units to contract with each other for police service;"

Page 1, line 10, after "1 and 6;" insert "436.05"

POINT OF ORDER

Olsen raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Johnson, C., ruled the point of order not well taken and the amendment was in order.

The question recurred on the Kempe amendment. The motion prevailed and the amendment was adopted.

S. F. No. 1759, A bill for an act relating to counties; providing for sheriffs and deputies compensation and expenses; permitting compensation for use of automobiles; amending Minnesota Statutes 1978, Section 387.20, Subdivisions 1 and 6.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Kahn	Nelsen, B.	Sherwood
Adams	Den Ouden	Kalis	Nelsen, M.	Sieben, H.
Ainley	Drew	Kelly	Nelson	Sieben, M.
Albrecht	Eken	Kempe	Norman	Stadum
Anderson, B.	Elioff	Knickerbocker	Novak	Stoa
Anderson, G.	Ellingson	Kostohryz	Nysether	Stowell
Anderson, I.	Esau	Kroening	Osthoff	Sviggum
Anderson, R.	Faricy	Kvam	Otis	Swanson
Battaglia	Fjoslien	Laidig	Patton	Thiede
Begich	Forsythe	Lehto	Pehler	Tomlinson
Berglin	Friedrich	Levi	Peterson, D.	Valan
Berkelman	Fritz	Long	Piepho	Valento
Biersdorf	Fudro	Ludeman	Pleasant	Vanasek
Blatz	Greenfield	Luknic	Prahl	Voss
Brinkman	Haukoos	Mann	Redalen	Waldorf
Byrne	Heap	McCarron	Reding	Weaver
Carlson, D.	Heinitz	McDonald	Rees	Welch
Carlson, L.	Hoberg	McEachern	Reif	Welker
Casserly	Hokanson	Mehrkens	Rice	Wenzel
Clark	Jacobs	Metzen	Rodriguez	Wieser
Clawson	Jennings	Minne	Rose	Wigley
Corbid	Johnson, C.	Moe	Rothenberg	Wynia
Crandall	Johnson, D.	Munger	Sarna	Zubay
Dean	Jude	Murphy	Searles	Spkr. Norton

Those who voted in the negative were:

Anderson, D. Erickson Niehaus Olsen Onnen

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

S. F. No. 2095, A bill for an act relating to Hennepin County; providing for a county personnel system; providing various conditions of public employment; amending Laws 1965, Chapter 855, Sections 1, 2, 3, 4, as amended, 5, 6, as amended, 7, as amended, 8, 9, 10, 11, 12, 13, 14, 15, as amended, and 16; and Laws 1979, Chapter 198, Article I, Section 2; repealing Laws 1945, Chapter 607, as amended; Laws 1965, Chapter 855, Section 17; Laws 1967, Chapter 646, Sections 4, 5, 6, and 7, and Chapter 779; and Laws 1979, Chapter 198, Article III, Section 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kahn	Nelson	Sherwood
Adams	Elioff	Kalis	Niehaus	Sieben, H.
Ainley	Ellingson	Kelly	Norman	Sieben, M.
Albrecht	Erickson	Kempe	Novak	Simoneau
Anderson, B.	Esau	Knickerbocker	Nysether	Stoa
Anderson, D.	Evans	Kostohryz	Olsen	Stowell
Anderson, G.	Ewald	Kroening	Onnen	Sviggum
Anderson, I.	Farcy	Kvam	Osthoff	Swanson
Anderson, R.	Fjoslien	Laidig	Otis	Thiede
Battaglia	Forsythe	Lehto	Patton	Tomlinson
Begich	Friedrich	Levi	Pehler	Valan
Berglin	Fritz	Long	Peterson, B.	Valento
Berkelman	Fudro	Ludeman	Peterson, D.	Vanasek
Blatz	Greenfield	Luknic	Piepho	Voss
Brinkman	Halberg	Mann	Prahl	Waldorf
Byrne	Haukoos	McCarron	Redalen	Weaver
Carlson, D.	Heap	McDonald	Reding	Welch
Carlson, L.	Heinitz	McEachern	Rees	Welker
Casserly	Hoberg	Mehrkens	Reif	Wenzel
Clark	Hokanson	Metzen	Rice	Wieser
Clawson	Jacobs	Minne	Rodriguez	Wigley
Corbid	Jaros	Moe	Rose	Wynia
Crandall	Jennings	Munger	Rothenberg	Zubay
Dean	Johnson, C.	Murphy	Sarna	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Drew	Jude	Nelsen, M.	Searles	

The bill was passed and its title agreed to.

Halberg was excused for the remainder of today's session.

Ewald was excused from 5:10 p.m. to 6:15 p.m.

S. F. No. 2062 was reported to the House.

Adams moved to amend S. F. No. 2062 as follows :

Page 1, line 17, delete "\$35,000" and insert "\$25,000"

Page 1, line 20, delete "July 31, 1983" and insert "June 30, 1982"

Page 1, line 23, delete "and such a rate is not usurious"

Page 2, line 3, reinstate "\$25,000" and delete "\$35,000"

Page 2, line 6, delete "a" and insert "the"

Page 2, line 7, after "interest" insert "authorized by section 334.011"

Page 2, line 8, delete "of 12 percent a year, or the rate of" and insert "."

Page 2, delete line 9

Page 2, line 10, delete "greater."

Page 2, line 15, delete "July 31, 1983" and insert "June 30, 1982"

Page 2, line 24, delete "\$25,000" and insert "\$7,500"

Page 2, line 27, delete "July 31," and insert "June 30,"

Page 2, line 28, delete "1983" and insert "1982"

Page 2, line 30, delete "and such a" and insert "."

Page 2, delete line 31

Page 3, line 3, reinstate "\$7,500" and delete "\$25,000"

Page 3, line 6, delete "a" and insert ", at the time the loan is made, the"

Page 3, line 6, after "interest" insert "authorized by section 334.011"

Page 3, line 7, delete "of 12 percent a year, or the rate of" and insert "."

Page 3, delete line 8

Page 3, line 9, delete "*greater.*"

Page 3, line 14, delete "*July 31, 1983*" and insert "*June 30, 1982*"

Page 4, line 24, delete "*July 31, 1983*" and insert "*June 30, 1982*"

Page 4, line 27, delete "*and such rate is not*" and insert "."

Page 4, delete line 28

Page 4, line 30, after "*union*" insert "*after the effective date of this subdivision*"

Page 4, line 31, delete "*one percent a month or*"

Page 4, line 32, delete "*in*" and insert "*by*"

Page 4, line 32, delete "*, whichever is*"

Page 4, line 33, delete "*greater*"

Page 5, line 6, delete "*July 31, 1983*" and insert "*June 30, 1982*"

Page 5, line 9, delete "*July 31, 1983*" and insert "*June 30, 1982*"

The motion prevailed and the amendment was adopted.

Adams moved to amend S. F. No. 2062, as amended, as follows :

Page 1, line 17, delete "\$25,000" and insert "\$35,000"

Page 2, line 3, strike "\$25,000" and insert "\$35,000"

Page 2, line 24, delete "\$7,500" and insert "\$25,000"

Page 3, line 3, strike "\$7,500" and insert "\$25,000"

The motion prevailed and the amendment was adopted.

Wynia moved to amend S. F. No. 2062, as amended, as follows :

Page 2, line 6, after "*made,*" delete "*the*" and insert "*a*"

Page 2, line 7, after "*interest*" delete "*authorized by section 334.011*"

Page 2, line 8, after "financed" insert "*of 12 percent a year, or the rate of interest authorized by section 334.011, whichever is greater*"

Page 3, line 6, delete "*, at the time the loan is made, the*" and insert "*a*"

Page 3, line 6, delete "*authorized by section 334.011*"

Page 3, line 7, after "financed" insert "*of 12 percent a year, or the rate of interest authorized by section 334.011, whichever is greater*"

Page 4, line 31, after "*exceed*" insert "*one percent a month or*"

Page 4, line 32, after "*334.011*" insert "*, whichever is greater*"

The motion prevailed and the amendment was adopted.

Brinkman moved to amend S. F. No. 2062, as amended, as follows:

Page 5, after line 6, insert:

"Sec. 4. Minnesota Statutes 1978, Section 53.04, is amended by adding a subdivision to read:

Subd. 7. (a) The interest on loans made by an industrial loan and thrift company pursuant to subdivision 3 may be at a rate not in excess of nine percent discount per annum for loans which provide for a repayment period not exceeding 36 months; eight and one-half percent discount per annum for loans which provide for a repayment period exceeding 36 months but not exceeding 48 months; and eight percent discount per annum for loans which provide for a repayment period exceeding 48 months but not exceeding 60 months.

(b) This subdivision supersedes the provisions of subdivision 3 regarding the lawful rate of interest for loans made by industrial loan and thrift companies, but not any other provision of subdivision 3, from the effective date of this subdivision until July 31, 1983. A loan made by an industrial loan and thrift company that provides for a rate of interest authorized by this subdivision continues to be enforceable in accordance with its terms until the indebtedness is fully satisfied."

Page 5, line 7, delete "*4*" and insert "*5*"

Page 5, line 8, delete the second "*and*"

Page 5, line 9, after "*2,*" insert "*and section 4,*"

Further amend the title as follows:

Page 1, line 8, delete "and" and after "52.14" insert "; and 53.04, by adding a subdivision"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 55 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Knickerbocker	Olsen	Searle
Adams	Evans	Laidig	Onnen	Searles
Ainley	Forsythe	Levi	Osthoff	Sherwood
Anderson, R.	Friedrich	Ludeman	Patton	Stadum
Blatz	Fudro	Mann	Piepho	Sviggum
Brinkman	Heap	McDonald	Redalen	Thiede
Dean	Heinitz	Mehrkens	Reding	Valan
Dempsey	Jacobs	Nelsen, B.	Rees	Valento
Den Ouden	Johnson, D.	Niehaus	Reif	Welker
Drew	Kaley	Novak	Rose	Wieser
Erickson	Kalis	Nysether	Sarna	Zubay

Those who voted in the negative were:

Albrecht	Clark	Jaros	Metzen	Sieben, H.
Anderson, D.	Clawson	Johnson, C.	Minne	Sieben, M.
Anderson, G.	Corbid	Jude	Munger	Simoneau
Anderson, I.	Eken	Kahn	Murphy	Stoa
Battaglia	Elioff	Kelly	Nelson	Swanson
Begich	Ellingson	Kempe	Norman	Tomlinson
Berglin	Faricy	Kostohryz	Pehler	Voss
Berkelman	Fjoslien	Kroening	Peterson, D.	Waldorf
Biersdorf	Fritz	Kvam	Pleasant	Weaver
Byrne	Greenfield	Lehto	Prahl	Welch
Carlson, D.	Haukoos	Luknic	Rice	Wenzel
Carlson, L.	Hoberg	McCarron	Rodriguez	Wigley
Casserly	Hokanson	McEachern	Rothenberg	Wynia

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

S. F. No. 2062, A bill for an act relating to financial institutions; providing for interest rates on certain installment loans and open end loan account arrangements; granting certain lending powers to savings associations and savings and loan associations; amending Minnesota Statutes 1978, Sections 48.153; 51A.21, by adding a subdivision; and 52.14.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 75 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Johnson, C.	Niehaus	Searle
Adams	Drew	Johnson, D.	Norman	Searles
Ainley	Eken	Kaley	Nysether	Sherwood
Anderson, B.	Erickson	Kalis	Olsen	Stadum
Anderson, D.	Esau	Knickerbocker	Onnen	Stowell
Anderson, G.	Evans	Kvam	Osthoff	Sviggum
Anderson, R.	Forsythe	Laidig	Patton	Thiede
Berkelman	Friedrich	Levi	Piepho	Valan
Biersdorf	Fudro	Ludeman	Pleasant	Valento
Blatz	Haukoos	Luknie	Redalen	Vanasek
Brinkman	Heap	Mann	Reding	Voss
Carlson, D.	Heinitz	McDonald	Rees	Welker
Crandall	Hoberg	Mehrkens	Reif	Wieser
Dean	Jacobs	Metzen	Rose	Wigley
Dempsey	Jennings	Nelsen, B.	Rothenberg	Zubay

Those who voted in the negative were:

Albrecht	Elioff	Kelly	Novak	Swanson
Anderson, I.	Ellingson	Kempe	Peterson, D.	Tomlinson
Battaglia	Faricy	Kostohryz	Prahl	Waldorf
Begich	Fjoslien	Kroening	Rice	Weaver
Berglin	Fritz	Long	Rodriguez	Welch
Byrne	Greenfield	McEachern	Sarna	Wenzel
Carlson, L.	Hokanson	Minne	Sieben, H.	Wynia
Cassery	Jaros	Moe	Sieben, M.	
Clark	Jude	Murphy	Simoneau	
Clawson	Kahn	Nelson	Stoa	

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

S. F. No. 1865 was reported to the House.

Crandall moved to amend S. F. No. 1865, as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1978, Section 169.141, Subdivision 2, is amended to read:

Subd. 2. Upon a finding by the governor, after due consideration of available information and consultation with such federal and state officials as he deems appropriate, that it is necessary to reduce highway vehicular speeds, the commissioner of transportation, with the approval of the governor, shall, by order, designate the maximum allowable speed of vehicles using the highways of this state. The order shall be effective the day following the filing of a certified copy thereof in the office of the secretary of state, and shall remain in effect until rescinded by order of the commissioner of transportation. Any speed in excess of the designated maximum speed as contained in the order is unlawful, and the penalties provided in section 169.89 apply. (ANY PERSON OPERATING A VEHICLE ON THE HIGHWAYS OF THIS STATE IN EXCESS OF THE DESIGNATED MAXIMUM SPEED IS GUILTY OF A PETTY MISDEMEANER; EXCEPT THAT A PERSON WHO VIOLATES THE DESIGNATED MAXIMUM SPEED IN A MANNER OR

UNDER CIRCUMSTANCES SO AS TO ENDANGER OR BE LIKELY TO ENDANGER ANY PERSON OR PROPERTY, OR WHO IS CONVICTED OF A THIRD OR SUBSEQUENT VIOLATION OF THE DESIGNATED MAXIMUM SPEED, SUCH VIOLATIONS BEING COMMITTED WITHIN A 12 MONTH PERIOD, IS GUILTY OF A MISDEMEANOR.)

Sec. 2. Minnesota Statutes 1978, Section 169.89, Subdivision 1, is amended to read:

169.89 [PENALTIES.] Subdivision 1. [VIOLATION.] Unless otherwise declared in this chapter with respect to particular offenses, it is a petty misdemeanor for any person to do any act forbidden or fail to perform any act required by this chapter; except that: (a) a violation which is committed in a manner or under circumstances so as to endanger or be likely to endanger any person or property; or (b) exclusive of violations relating to the standing or parking of an unattended vehicle, a violation of any of the provisions of this chapter, classified therein as a petty misdemeanor, when preceded by two or more *petty misdemeanor* convictions within the immediate preceding 12 months period; is a misdemeanor to which the provisions of subdivision 2 shall not apply.

Sec. 3. Minnesota Statutes 1978, Section 171.20, Subdivision 2, is amended to read:

Subd. 2. [OPERATION AFTER REVOCATION OR SUSPENSION.] Any resident or nonresident whose driver's license or right or privilege to operate a motor vehicle in this state has been suspended, revoked, or cancelled, (AS PROVIDED IN THIS CHAPTER,) shall not operate a motor vehicle in this state under license, permit, or registration certificate issued by any other jurisdiction or otherwise during such a suspension, or after such revocation until a new license is obtained (WHEN AND AS PERMITTED UNDER THIS CHAPTER).

Sec. 4. Minnesota Statutes 1978, Section 171.24, is amended to read:

171.24 [VIOLATIONS, MISDEMEANORS; EXCEPTIONS.] Any person whose driver's license or driving privilege has been canceled, suspended or revoked (AS PROVIDED IN THIS CHAPTER) who disobeys such order by operating any motor vehicle, the operation of which requires a driver's license, upon the highways in this state while such license or privilege is canceled, suspended, or revoked is guilty of a misdemeanor.

It is a misdemeanor for any person to willfully violate any of the provisions of this chapter unless such violation is by any law declared to be a felony or a gross misdemeanor."

The motion prevailed and the amendment was adopted.

S. F. No. 1865, A bill for an act relating to motor vehicles; clarifying penalty provisions for certain traffic violations; clarifying provisions which prohibit the operation of a motor vehicle while a driver's license is revoked or suspended; amending Minnesota Statutes 1978, Sections 169.141, Subdivision 2; 169.89, Subdivision 1; 171.20, Subdivision 2; and 171.24.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kahn	Nelsen, M.	Searles
Adams	Drew	Kaley	Nelson	Sherwood
Ainley	Eken	Kalis	Niehau	Sieben, H.
Albrecht	Elioff	Kelly	Norman	Sieben, M.
Anderson, B.	Ellingson	Kempe	Novak	Simoneau
Anderson, D.	Erickson	Knickerbocker	Nysether	Stadum
Anderson, G.	Esau	Kostohryz	Olsen	Stoa
Anderson, I.	Evans	Kroening	Onnen	Stowell
Anderson, R.	Faricy	Kvam	Osthoff	Sviggum
Battaglia	Fjoslien	Laidig	Otis	Swanson
Begich	Forsythe	Lehto	Patton	Thiede
Berglin	Friedrich	Levi	Pehler	Tomlinson
Berkelman	Fritz	Long	Peterson, D.	Valan
Biersdorf	Fudro	Ludeman	Piepho	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Haukoos	Mann	Prahl	Waldorf
Byrne	Heap	McCarron	Redalen	Weaver
Carlson, D.	Heinitz	McDonald	Reding	Welch
Carlson, L.	Hoberg	McEachern	Rees	Welker
Casserly	Hokanson	Mehrkens	Reif	Wenzel
Clark	Jacobs	Metzen	Rice	Wieser
Clawson	Jaros	Minne	Rodriguez	Wigley
Corbid	Jennings	Moe	Rose	Wynia
Crandall	Johnson, C.	Munger	Rothenberg	Zubay
Dean	Johnson, D.	Murphy	Sarna	Spkr. Norton
Dempsey	Jude	Nelsen, B.	Searle	

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

S. F. No. 1708 was reported to the House.

Kaley moved to amend S. F. No. 1708 as follows:

Page 1, after line 9, insert a section to read:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 79.171, is amended to read:

79.171 [INFORMATION.] In addition to other information that the commissioner requests pursuant to section 79.071, the

rating association shall: (a) separate the incurred but not reported losses of its members; (b) separate paid and outstanding losses of its members; (c) provide information indicating cases in which its members have established a reserve in excess of \$50,000; and (d) provide information on the income on invested reserves of its members. *Data supplied by the rating association pursuant to this section shall reflect its members' Minnesota workers' compensation experience only. Data reflecting its members' workers' compensation experience in other states, or data or estimates derived from national workers' compensation experience, shall not satisfy the requirements of this section. This section shall not apply to Minnesota data that is inadequate to provide full credibility or is unavailable. In such cases, Minnesota data shall be provided and utilized to the extent that its credibility allows, but non-Minnesota data may be utilized where Minnesota data does not have adequate credibility or is unavailable.*

The commissioner shall consider this information in an appropriate manner in adopting a schedule of rates and shall decline to grant a hearing pursuant to section 79.071 if the association fails to provide the information."

Renumber the sections accordingly

Correct internal references

Further, amend the title as follows:

Page 1, line 4, after the semi-colon insert "reaffirming certain data restrictions;"

Page 1, line 6, after "Sections" insert "79.171;"

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Sieben, H., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Blatz	Eken	Greenfield	Kaley
Adams	Brinkman	Elioff	Haukoos	Kalis
Ainley	Byrne	Ellingson	Heap	Kelly
Albrecht	Carlson, D.	Erickson	Heinitz	Kempe
Anderson, B.	Carlson, L.	Esau	Hoberg	Knickerbocker
Anderson, D.	Casserly	Evans	Hokanson	Kostohryz
Anderson, G.	Clark	Ewald	Jacobs	Kroening
Anderson, I.	Corbid	Farcy	Jaros	Kvam
Battaglia	Crandall	Fjoslien	Jennings	Laidig
Begich	Dean	Forsythe	Johnson, C.	Lehto
Berglin	Dempsey	Friedrich	Johnson, D.	Levi
Berkelman	Den Ouden	Fritz	Jude	Long
Biersdorf	Drew	Fudro	Kahn	Ludeman

Luknic	Nelson	Pleasant	Sherwood	Voss
Mann	Niehaus	Prahl	Sieben, H.	Waldorf
McCarron	Norman	Redalen	Simoneau	Weaver
McDonald	Novak	Rees	Stadum	Welch
McEachern	Nysether	Reif	Stoa	Welker
Mehrkens	Olsen	Rice	Stowell	Wenzel
Metzen	Onnen	Rodriguez	Sviggum	Wieser
Minne	Patton	Rose	Thiede	Wigley
Munger	Pehler	Rothenberg	Tomlinson	Wynia
Murphy	Peterson, B.	Sarna	Valan	Zubay
Nelsen, B.	Peterson, D.	Searle	Valento	
Nelsen, M.	Piepho	Searles	Vanasek	

Faricy moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Kaley amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 60 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Johnson, D.	Nysether	Searles
Adams	Evans	Kaley	Olsen	Sherwood
Ainley	Ewald	Knickerbocker	Onnen	Stadum
Albrecht	Fjoslien	Kvam	Peterson, B.	Stowell
Anderson, D.	Forsythe	Laidig	Pleasant	Sviggum
Blatz	Friedrich	Levi	Redalen	Thiede
Carlson, D.	Fritz	Ludeman	Rees	Valan
Crandall	Haukoos	McDonald	Reif	Valento
Dean	Heap	Mehrkens	Rose	Welker
Dempsey	Heinitz	Nelsen, B.	Rothenberg	Wieser
Den Ouden	Hoberg	Niehaus	Schreiber	Wigley
Erickson	Jennings	Norman	Searle	Zubay

Those who voted in the negative were:

Anderson, B.	Drew	Kelly	Murphy	Sieben, H.
Anderson, G.	Eken	Kempe	Nelsen, M.	Sieben, M.
Anderson, I.	Elihoff	Kostohryz	Nelson	Simoneau
Battaglia	Ellingson	Kroening	Novak	Stoa
Begich	Faricy	Lehto	Osthoff	Swanson
Berglin	Fudro	Long	Otis	Tomlinson
Berkelman	Greenfield	Luknic	Pehler	Vanasek
Brinkman	Hokanson	Mann	Peterson, D.	Voss
Byrne	Jacobs	McCarron	Piepho	Waldorf
Carlson, L.	Jaros	McEachern	Prahl	Welch
Casserly	Johnson, C.	Metzen	Reding	Wenzel
Clark	Jude	Minne	Rice	Wynia
Clawson	Kahn	Moe	Rodriguez	
Corbid	Kalis	Munger	Sarna	

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

Kaley moved that S. F. No. 1708 be continued and be placed at the bottom of Special Orders. The motion prevailed.

MOTION FOR RECONSIDERATION

Ewald moved that the vote whereby S. F. No. 2117, as amended, was not passed earlier today as a Special Order be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the motion for reconsideration of S. F. No. 2117, as amended, and the roll was called.

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

There were 78 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Jude	Nysether	Searle
Adams	Drew	Kaley	Olsen	Searles
Ainley	Erickson	Kalis	Onnen	Sherwood
Albrecht	Esau	Knickerbocker	Osthoff	Stadum
Anderson, D.	Evans	Kvam	Patton	Stowell
Anderson, R.	Ewald	Laidig	Pehler	Sviggum
Berkelman	Fjoslien	Levi	Peterson, B.	Thiede
Biersdorf	Forsythe	Ludeman	Piepho	Valan
Blatz	Friedrich	Luknic	Pleasant	Valento
Brinkman	Fritz	Mann	Redalen	Weaver
Carlson, D.	Haukoos	McDonald	Reding	Welker
Casserly	Heap	Mehrkens	Rees	Wieser
Corbid	Heinitz	Munger	Reif	Wigley
Crandall	Hoberg	Nelsen, B.	Rose	Zubay
Dean	Jennings	Niehaus	Rothenberg	
Dempsey	Johnson, D.	Norman	Schreiber	

Those who voted in the negative were:

Anderson, B.	Elioff	Kempe	Nelsen, M.	Stoa
Anderson, G.	Ellingson	Kostohryz	Nelson	Swanson
Anderson, I.	Faricy	Kroening	Novak	Tomlinson
Battaglia	Fudro	Lehto	Otis	Vanasek
Begich	Greenfield	Long	Peterson, D.	Voss
Berglin	Hokanson	McCarron	Prahl	Waldorf
Byrne	Jacobs	McEachern	Rice	Welch
Carlson, L.	Jaros	Metzen	Rodriguez	Wenzel
Clark	Johnson, C.	Minne	Sarna	Wynia
Clawson	Kahn	Moe	Sieben, H.	
Eken	Kelly	Murphy	Simoneau	

The motion prevailed.

S. F. No. 2117, as amended, was reported to the House.

Ewald moved that the action whereby S. F. No. 2117 was given its third reading, as amended, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the motion to reconsider the third reading and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 88 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Knickerbocker	Osthoff	Stadum
Adams	Erickson	Kvam	Patton	Stowell
Ainley	Esau	Laidig	Pehler	Sviggum
Albrecht	Evans	Levi	Peterson, B.	Swanson
Anderson, D.	Ewald	Ludeman	Peterson, D.	Thiede
Anderson, R.	Faricy	Luknic	Piepho	Tomlinson
Berkelman	Forsythe	Mann	Pleasant	Valan
Biersdorf	Friedrich	McDonald	Redalen	Valento
Blatz	Fudro	McEachern	Reding	Waldorf
Brinkman	Haukoos	Mehrkens	Rees	Weaver
Carlson, D.	Heap	Murphy	Reif	Welker
Carlson, L.	Heinitz	Nelsen, B.	Rose	Wenzel
Casserly	Hoberg	Nelsen, M.	Rothenberg	Wieser
Corbid	Jacobs	Norman	Schreiber	Wigley
Crandall	Johnson, D.	Novak	Searle	Wynia
Dean	Jude	Nysether	Searles	Zubay
Dempsey	Kaley	Olsen	Sherwood	
Den Ouden	Kalis	Onnen	Sieben, H.	

Those who voted in the negative were:

Anderson, I.	Clawson	Hokanson	McCarron	Rice
Battaglia	Elioff	Kahn	Metzen	Rodriguez
Begich	Ellingson	Kelly	Minne	Sarna
Berglin	Fjoslien	Kempe	Nelson	Simoneau
Byrne	Fritz	Lehto	Otis	Welch
Clark	Greenfield	Long	Prahl	

The motion prevailed.

Johnson, D., moved to amend S. F. No. 2117, as amended, as follows:

Page 9, lines 6 and 7, delete Section 8 from the bill

Page 9, line 6, insert a new section to read:

"Sec. 8. Sections 1 and 2 of this act are effective upon the adoption of 12 C.F.R. section 545.6-4a by the Federal Home Loan Bank Board. Sections 3, 4, 5, 6 and 7 of the act are effective the day following final enactment."

The motion prevailed and the amendment was adopted.

Voss moved to amend S. F. No. 2117, as amended by the first Johnson, D., amendment, as follows:

In the amendment to Page 3, line 30, delete in both instances "*or decrease*"

In the amendment to Page 4, line 28, delete in both instances "*or decrease*"

The motion prevailed and the amendment was adopted.

Johnson, D., moved to amend S. F. No. 2117, as amended, as follows:

Page 4, line 4, delete "*, except for nominal costs of*"

Page 4, line 5, delete "*preparing and recording documents*"

Page 5, line 2, delete "*, except for nominal costs of*"

Page 5, line 3, delete "*preparing and recording documents*"

The motion prevailed and the amendment was adopted.

S. F. No. 2117, A bill for an act relating to commerce; providing for investments in certain loans by savings banks and savings associations; defining terms; exempting savings associations from licensing and bonding requirements of safe deposit companies; deleting the dollar limitation on examination fees; amending Minnesota Statutes 1978, Sections 50.14, Subdivision 5; 51A.02, Subdivisions 8 and 17, and by adding a subdivision; 51A.37, Subdivision 3; 55.06, Subdivision 1; and 55.095.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 72 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, R.	Crandall	Esau	Heap
Adams	Biersdorf	Dean	Evans	Heinitz
Ainley	Brinkman	Dempsey	Ewald	Hoberg
Albrecht	Carlson, D.	Den Ouden	Forsythe	Jennings
Anderson, B.	Casserly	Drew	Friedrich	Johnson, C.
Anderson, D.	Corbid	Erickson	Haukoos	Johnson, D.

Kaley	Mehrkens	Pehler	Rothenberg	Valento
Kalis	Nelsen, B.	Peterson, B.	Searle	Welker
Knickerbocker	Niehaus	Piepho	Searles	Wieser
Kvam	Norman	Pleasant	Sherwood	Wigley
Levi	Nysether	Redalen	Stadum	Zubay
Ludeman	Olsen	Reding	Stowell	Spkr. Norton
Luknic	Onnen	Rees	Sviggum	
Mann	Osthoff	Reif	Thiede	
McDonald	Patton	Rose	Valan	

Those who voted in the negative were:

Anderson, G.	Elioff	Kelly	Munger	Sieben, M.
Anderson, I.	Ellingson	Kempe	Murphy	Simoneau
Battaglia	Faricy	Kostohryz	Nelsen, M.	Stoa
Begich	Fjoslien	Kroening	Nelson	Swanson
Berglin	Fritz	Laidig	Novak	Tomlinson
Berkelman	Fudro	Lehto	Otis	Vanasek
Blatz	Greenfield	Long	Peterson, D.	Voss
Byrne	Hokanson	McCarron	Prahl	Waldorf
Carlson, L.	Jacobs	McEachern	Rice	Weaver
Clark	Jaros	Metzen	Rodriguez	Welch
Clawson	Jude	Minne	Sarna	Wenzel
Eken	Kahn	Moe	Sieben, H.	Wynia

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

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2304, A bill for an act relating to initiative and referendum; proposing an amendment to the Minnesota Constitution, Article VII by adding a section; authorizing initiative on laws; providing a statute implementing the amendment; providing for the manner of petitioning and voting on initiative measures; providing for disclosure of campaign costs on ballot issues; providing for judicial review; providing certain restrictions on the consideration of measures; providing penalties; amending Minnesota Statutes 1978, Sections 10A.01, Subdivision 15; 10A.20, by adding a subdivision; 203A.31, Subdivision 2; and 645.02.

Reported the same back with the following amendments:

Page 2, line 3, delete "electors" and insert "voters"

Page 2, line 7, delete "shall" and insert "may"

Page 2, line 7, delete "acted" and insert "enacted"

Page 2, line 8, delete "upon"

Page 2, line 8, after "legislature" insert "*without change or amendment*"

Page 2, line 14, delete "*propose*" and insert "*enact*"

Page 2, line 16, delete "*measures*" and insert "*law proposed by the initiative petition*"

Page 2, line 17, delete "*electors*" and insert "*people*"

Page 3, line 1, delete "*electors*" and insert "*people*"

Page 3, delete lines 22 and 23 and insert

"*Subd. 5. "Eligible voter" has the meaning provided in section 200.02, subdivision 25.*"

Page 3, line 30, delete "*October 31*" and insert "*July 1*"

Page 3, line 31, delete "*or not later than*" and insert "*and after*"

Page 4, line 3, delete "*electors*" and insert "*voters*"

Page 4, line 15, delete "*, by rule,*"

Page 4, line 25, delete "*30*" and insert "*21*"

Page 4, line 26, delete "*calendar*"

Page 5, line 11, after the period insert "*Together*"

Page 5, line 13, delete "*calendar*"

Page 5, line 25, delete "*calendar*"

Page 5, line 31, delete "*Each*" and insert "*An*"

Page 6, line 11, after the second comma insert "*county and*"

Page 6, line 12, delete "*elector*" and insert "*voter*"

Page 6, line 17, after the second semi-colon insert "*indicate that he did not receive compensation for circulating the petition;*"

Page 6, line 19, delete "*elector*" and insert "*voter*"

Page 6, line 24, delete "*4*" and insert "*2*"

Page 6, line 26, delete "calendar"

Page 7, line 3, delete "calendar"

Page 7, line 11, delete "only" and insert "on those days"

Page 7, line 12, delete "of" and insert "in"

Page 7, lines 12 to 13, delete "which are more than eight calendar days" and insert "beginning at any time"

Page 7, line 22, after "declaration" insert "of abandonment"

Page 7, line 25, after "declaration" insert "of abandonment"

Page 7, line 30, delete "January 8" and insert "December 31"

Page 7, line 31, delete "after" and insert "in which"

Page 7, line 31, after "signed" insert "; provided that petitions which are signed in calendar year 1980 are not invalid until December 31, 1981"

Page 8, line 4, delete "electors" and insert "voters" delete "not less" and insert "greater"

Page 8, line 7, delete "electors" and insert "voters"

Page 8, line 8, delete "no" and insert "each"

Page 8, line 8, delete "shall"

Page 8, line 9, after "signatures" insert "shall"

Page 8, line 9, delete "less" and insert "greater"

Page 8, line 13, delete "January 7" and insert "September 1" and delete everything after "of"

Page 8, line 14, delete everything before the comma and insert "odd-numbered years"

Page 8, line 21, delete "Not later than January 28" and insert "Within 60 days after receiving the signed petitions"

Page 8, line 23, delete everything after "shall"

Page 8, line 24, delete everything before "give"

Page 8, line 30, after the period insert "*Within 60 days after receiving the signed petitions,*"

Page 9, line 3, delete "*elector*" and insert "*voter*"

Page 9, line 6, delete "*elector*" and insert "*voter*"

Page 9, line 10, delete "*elector*" and insert "*voter*"

Page 9, line 15, delete "*elector*" and insert "*voter*"

Page 9, line 15, after "*the*" insert "*secretary's determination regarding the*"

Page 9, line 16, delete "*the*" and insert "*a*"

Page 9, line 17, delete "*on or before March 31 and*" and insert "*within seven days after the secretary announces the result of verifying the petitions. The protest*"

Page 9, line 18, delete "*of insufficiency or invalidity*" and insert "*which contradicts the secretary's determination*"

Page 9, line 19, delete "*elector*" and insert "*voter*" and delete "*sufficiency or validity*"

Page 9, line 20, delete everything before "*in*" and insert "*secretary's determination*"

Page 9, line 23, delete "*not later than April 30*" and insert "*within 21 days after the protest is filed*"

Page 9, line 25, delete "*less*" and insert "*fewer*"

Page 9, line 27, delete "*an additional period of*" and delete everything after "*days*"

Page 9, delete lines 28 and 29 and line 30 before "*the*" and insert "*after*"

Page 10, delete lines 4 to 10

Page 10, line 11, delete "*3*" and insert "*2*"

Page 10, line 13, delete "*110*" and insert "*100*"

Page 10, line 15, delete "*the*" and insert "*each*"

Page 10, line 16, delete "*may*" and insert "*shall*"

Page 10, line 23, delete "*4*" and insert "*3*"

Page 10, line 25, delete "90" and insert "100"

Page 10, line 27, delete the first "the" and insert "each" and insert a comma after "district"

Page 10, line 28, delete "may" and insert "shall"

Page 10, line 29, after the period insert: "*The secretary shall give the sponsors written notice of what percentage of the signatures is valid. The sponsors may gather additional signatures as provided in section 12, subdivision 4 to make up the deficiency. The secretary shall verify a random sample of the additional signatures within 10 days of receiving them. If the verification from the random sample of the additional signatures does not show that the total number of valid signatures on the additional petitions is 100 percent or more of the deficiency, the secretary shall notify the sponsors. No further action shall then be taken on the petitions.*"

Page 11, line 15, after "legislature" insert "fails to act on the initiative measure or"

Page 11, line 23, after the second "the" insert "next"

Page 12, line 2, delete "and referendum"

Page 12, line 6, delete "34" and insert "38"

Page 12, line 13, delete "statewide"

Page 13, line 5, after the first "the" insert "previous" and delete everything after "year"

Page 13, line 6, delete everything before the period

Page 13, line 12, delete ", by rule,"

Page 13, line 13, delete "for the"; delete "of" and insert "for"

Page 13, line 27, delete "elector" and insert "voter"

Page 13, line 32, after the period insert "*The court may defer the effective date of the adopted measures while the matter is pending before it.*"

Page 14, line 8, delete "OR REFERENDUM"

Page 14, line 10, delete the comma

Page 14, line 20, delete "other" and insert "previous measure"

Page 15, line 31, delete the comma and insert a semi-colon

Page 16, line 19, delete the second "*matter*" and insert "*measure*"

Page 16, line 33, delete "*or her*"

Page 17, lines 13 and 14, delete "*, any other sponsor*"

Page 17, line 14, delete the second "*a*" and insert "*the*"

Page 18, line 13, delete "*a final administrative*" and insert "*the secretary's final*"

Page 18, line 15, delete "*15 calendar*" and insert "*10*"

Page 18, line 18, delete "*initiated*" and insert "*adopted*"

Page 18, line 20, after "*an*" insert "*adopted*"

Page 18, line 21, delete everything after the first "*measure*"

Page 19, line 23, after "*PINK*" insert "*AND BLUE*" delete "*BALLOT*" and insert "*BALLOTS*"

Page 20, line 6, after "*amendment*" insert "*and each initiative ballot question*"

Page 20, line 8, after "*amendment*" insert "*or an initiative ballot question*"

Page 20, after line 16, insert

"Sec. 33. Minnesota Statutes 1978, Section 203A.31, Subdivision 3, is amended to read:

Subd. 3. [PREPARATION; PINK AND BLUE BALLOT.] The pink ballot *and the blue ballot* shall be prepared under the direction of the secretary of state and bound in blocks of 50, and a sufficient number thereof to enable the clerks to comply with the provisions of section 203A.11, subdivision 2 shall be forwarded by him by express to the auditor of each county at least 15 days before the general election, and receipts taken therefor, stating the number and date when received. Four weeks before the general election the secretary of state shall file sample copies of the pink *and blue* ballots in his office for public inspection, and three weeks before the election the secretary shall mail to the auditor of each county sample copies of the pink *and blue* ballots.

Sec. 34. Minnesota Statutes 1978, Section 204A.24, is amended to read:

204A.24 [EXPENSES.] The compensation prescribed in section 204A.23, clause (a), the cost of printing the white, *blue*, and pink ballots, and all necessary expenses incurred by the secretary of state in connection with elections, shall be paid by the state out of moneys not otherwise appropriated. The compensation prescribed in section 204A.23, clauses (b) and (c), the cost of printing the county and district canary ballots, all necessary expenses incurred by auditors in connection with elections, and the expenses of special county elections, shall be paid by the respective counties. The compensation prescribed in section 204A.23, clauses (d) and (e), the cost of printing the municipal light green ballots, of providing ballot boxes and polling places, and equipping the same, and all necessary expenses of the clerks of municipalities on account of elections, except special county elections, shall be paid by the respective towns or cities where the elections are held. All disbursements hereunder shall be presented, audited, and paid as in the case of other public expenses.

Sec. 35. Minnesota Statutes 1978, 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 blue box*, the canary box, the light green 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. 36. Minnesota Statutes 1978, Section 204A.53, Subdivision 3, is amended to read:

Subd. 3. [STATE CANVASS, GENERAL ELECTION.] After the general election, the canvassing board shall canvass the certified copies of the statements made by the county canvassing boards, and they shall prepare therefrom a statement of the following information:

(a) A statement of the whole number of votes counted for candidates for state offices, congressional offices, and such other candidates as shall be voted for in more than one county, specifying the several counties in which they were cast;

(b) The names of the persons receiving the votes and the number received by each, specifying the several counties in which they were cast; (AND)

(c) The number of votes counted for and against each constitutional amendment, specifying the several counties in which they were cast; *and*

(d) *The number of votes counted for and against each initiative ballot measure.*

If the difference between the votes of a candidate for legislative office who would otherwise be declared elected by the state canvassing board and the votes of any other candidate for that office is 100 or less, the board shall recount the votes. A recount shall not delay any other part of the canvass and the results shall be 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. A losing candidate may waive the recount required pursuant to this subdivision by filing a written notice of waiver with the canvassing board.

In case of a tie vote for any office, the result of which is to be certified by the state canvassing board, the board shall determine the tie by lot."

Renumber remaining sections

Page 21, line 7, delete "*electors*" and insert "*people*"

Page 21, line 11, delete "*33*" and insert "*37*"

Further, amend the title as follows:

Page 1, line 2, delete "and referendum"

Page 1, lines 10 and 11, delete "providing certain restrictions on the consideration of measures;"

Page 1, line 14, delete "Subdivision" and insert "Subdivisions"

Page 1, line 14, after "2" insert "and 3"

Page 1, line 14, after the semi-colon, insert "204A.24; 204A.40, Subdivision 2; 204A.53, Subdivision 3;"

Reported the same back without further recommendation.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 2304 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced :

Faricy introduced :

H. F. No. 2487, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and technical errors of a noncontroversial nature; amending Laws 1980, Chapters 341, Section 8; 345, Section 17; and 358, Section 2.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

MESSAGES FROM THE SENATE

The following messages were received from the Senate :

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned :

H. F. No. 1963, A bill for an act relating to claims against the state; appropriating money for the payment thereof.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested :

H. F. No. 1453, A bill for an act relating to retirement; authorizing payment of severance pay to retiring employees; validating past payments; amending Minnesota Statutes 1978, Section 356.24; and Minnesota Statutes, 1979 Supplement, Section 465.72.

PATRICK E. FLAHAVEN, Secretary of the Senate

Johnson, D., moved that the House refuse to concur in the Senate amendments to H. F. No. 1453, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested :

H. F. No. 1710, A bill for an act relating to energy; stating legislative energy policy; providing grants and assistance for community energy planning; assessment of fees for residential energy audits; providing grants for residential heating costs and weatherization; providing guidelines for a state plan for spending federal money; reimbursing counties for heating emergency assistance expenses; defining large energy facilities; authorizing subdivisions to levy for certain energy related activities; providing grants for energy research and development projects; providing education on building energy efficiency; energy audits; ethanol plant demonstration project; creating the alcohol fuels information center; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 116H.01; 116H.087; 116H.12, Subdivision 11; 216B.16, by adding a subdivision; 275.50, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.02, Subdivision 5; 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Nelson moved that the House refuse to concur in the Senate amendments to H. F. No. 1710, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested :

H. F. No. 1727, A bill for an act relating to family; providing that natural parents may obtain a copy of an adopted child's original birth certificate; allowing parents ten days to revoke consent to adoption; providing a pre-adoption residency of three months; amending Minnesota Statutes 1978, Sections 144.218, Subdivision 1; 144.225, Subdivision 2; 259.24, Subdivision 5,

and by adding a subdivision; 259.25, Subdivision 1, and by adding a subdivision; 259.27, Subdivision 4; and Chapter 259, by adding a section; repealing Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6; and 259.25, Subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Faricy moved that the House refuse to concur in the Senate amendments to H. F. No. 1727, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2187, A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in the city of Brooklyn Center.

PATRICK E. FLAHAVEN, Secretary of the Senate

Ellingson moved that the House refuse to concur in the Senate amendments to H. F. No. 2187, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1800, A bill for an act relating to health care; regulating benefits made available under certain health care plans; requiring coverage for reconstructive surgery under certain conditions; amending Minnesota Statutes 1978, Section 62E.06, Subdivision 1, as amended, and Chapter 62A, by adding a section.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Minne moved that the House concur in the Senate amendments to H. F. No. 1800 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1800, A bill for an act relating to health care; regulating benefits made available under certain health care plans; requiring coverage for reconstructive surgery under certain conditions; exempting certain policies from requiring benefits for alcoholism, chemical dependency or drug addiction; amending Minnesota Statutes 1978, Sections 62A.149, Subdivision 1; Chapter 62A, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 62E.06, Subdivision 1.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kahn	Nelsen, M.	Searles
Adams	Drew	Kaley	Nelson	Sieben, H.
Ainley	Eken	Kalis	Niehaus	Sieben, M.
Albrecht	Elioff	Kelly	Norman	Simoneau
Anderson, B.	Ellingson	Kempe	Novak	Stadum
Anderson, D.	Erickson	Knickerbocker	Nysether	Stoa
Anderson, G.	Esau	Kostohryz	Olsen	Stowell
Anderson, I.	Evans	Kroening	Onnen	Sviggum
Anderson, R.	Ewald	Kvam	Osthoff	Swanson
Battaglia	Faricy	Laidig	Otis	Thiede
Begich	Fjoslien	Lehto	Patton	Tomlinson
Berglin	Forsythe	Levi	Pehler	Valan
Berkelman	Friedrich	Long	Peterson, B.	Valento
Biersdorf	Fritz	Ludeman	Peterson, D.	Vanasek
Blatz	Fudro	Luknic	Piepho	Voss
Brinkman	Greenfield	Mann	Pleasant	Waldorf
Byrne	Haukoos	McCarron	Prahl	Weaver
Carlson, D.	Heinitz	McDonald	Redalen	Welch
Carlson, L.	Hoberg	McEachern	Reding	Welker
Casserly	Hokanson	Mehrkens	Rees	Wenzel
Clark	Jacobs	Metzen	Reif	Wieser
Clawson	Jaros	Minne	Rodriguez	Wigley
Corbid	Jennings	Moe	Rose	Wynia
Crandall	Johnson, C.	Munger	Rothenberg	Zubay
Dean	Johnson, D.	Murphy	Sarna	Spkr. Norton
Dempsey	Jude	Nelsen, B.	Searle	

Those who voted in the negative were:

Rice

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2023, A bill for an act relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring hazardous waste management planning and development; establishing procedures for the review and approval of permits for waste facilities; authorizing debt; appropriating money; amending Minnesota Statutes 1978, Sections 116.06, Subdivisions 9, 10, 13, and by adding subdivisions; 116.07, Subdivisions 2, 4, 4a, and by adding subdivisions; 116.081, Subdivision 1; 116.101; 116.41; 400.03, Subdivision 1; 400.04; 400.06; 400.07; 400.13; 400.16; 400.161; 473.121, by adding a subdivision; 473.149; 473.502; 473.516; 473.801, Subdivision 1; 473.802; 473.803; 473.811; 473.813; 473.823, Subdivision 3, and by adding a subdivision; Chapter 400, by adding a section; and Chapter 473, by adding sections; repealing Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2 to 7; 473.121, Subdivisions 27 to 31c; 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 728, Section 7.

PATRICK E. FLAHAVEN, Secretary of the Senate

Cassery moved that the House refuse to concur in the Senate amendments to H. F. No. 2023, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 702, A bill for an act relating to health; requiring counties to establish local nursing home pre-admission screening teams; prescribing duties of the teams and the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Chapter 256B, by adding a section.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Mr. Nelson, Mrs. Staples and Mr.

Kirchner have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Berglin moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 702. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

(S. F. No. 507, A bill for an act relating to taxation; providing for a levy apportionment for certain jurisdictions upon an assessment level differential greater than five percent; amending Minnesota Statutes 1978, Section 270.12, Subdivision 3.

) And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Pillsbury, Merriam and McCutcheon have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jude moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 507. The motion prevailed.

SPECIAL ORDERS

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

MOTIONS AND RESOLUTIONS

McCarron moved that the name of Lehto be added as an author on H. F. No. 2082. The motion prevailed.

Jennings moved that H. F. No. 2485 be returned to its author. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 480:

Onnen, Reif, and Berkelman.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1141:

Heinitz, McCarron, and Forsythe.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1843:

Lehto; Anderson, B.; and Anderson, D.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1875:

Kroening, Zubay, and Jacobs.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2134:

Lehto, Munger and Stowell.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1710:

Nelson, Stoa, and Dean.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2023:

Casserly, Schreiber, and Pehler.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 702:

Berglin, Welch, and Heinitz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1727:

Faricy; Sieben, M.; and Dempsey.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 10:00 a.m., Monday, March 31, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Monday, March 31, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETIETH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 31, 1980

The House of Representatives convened at 10:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kaley	Niehaus	Sherwood
Adams	Eken	Kalis	Norman	Sieben, H.
Ainley	Elioff	Kelly	Novak	Sieben, M.
Albrecht	Ellingson	Kempe	Nysether	Simoneau
Anderson, B.	Erickson	Knickerbocker	Olsen	Stadum
Anderson, D.	Esau	Kostohryz	Onnen	Stowell
Anderson, G.	Evans	Kroening	Osthoff	Swiggum
Anderson, I.	Ewald	Kvam	Otis	Swanson
Anderson, R.	Faricy	Laidig	Patton	Thiede
Battaglia	Fjoslien	Lehto	Pehler	Tomlinson
Begich	Forsythe	Levi	Peterson, B.	Valan
Berglin	Fritz	Long	Peterson, D.	Valento
Berkelman	Fudro	Ludeman	Piepho	Vanasek
Biersdorf	Greenfield	Luknic	Pleasant	Voss
Blatz	Halberg	Mann	Prahl	Waldorf
Brinkman	Haukoos	McCarron	Redalen	Weaver
Byrne	Heap	McDonald	Reding	Welch
Carlson, D.	Heinitz	McEachern	Rees	Welker
Carlson, L.	Hoberg	Mehrkens	Reif	Wenzel
Casserly	Hokanson	Metzen	Rice	Wieser
Clark	Jacobs	Minne	Rodriguez	Wigley
Clawson	Jaros	Moe	Rose	Wynia
Corbid	Jennings	Munger	Rothenberg	Zubay
Crandall	Johnson, C.	Murphy	Sarna	Spkr. Norton
Dean	Johnson, D.	Nelsen, B.	Schreiber	
Dempsey	Jude	Nelsen, M.	Searle	
Den Ouden	Kahn	Nelson	Searles	

A quorum was present.

Friedrich and Stoa were excused until 2:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Erickson moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. No. 2304 and S. F. Nos. 1835, 2113, 2244, 2263, 1717, 1984, 1028, 1636, 2099 and 2166 have been placed in the members' files.

S. F. No. 2099 and H. F. No. 1991, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Schreiber moved that the rules be so far suspended that S. F. No. 2099 be substituted for H. F. No. 1991 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1028 and H. F. No. 1035, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jude moved that the rules be so far suspended that S. F. No. 1028 be substituted for H. F. No. 1035 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2166 and H. F. No. 2320, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Long moved that the rules be so far suspended that S. F. No. 2166 be substituted for H. F. No. 2320 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

March 27, 1980

The Honorable Fred C. Norton
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 1980 Session of the State Legislature have been re-

ceived 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
1187		376	March 27	March 27
1188		377	March 27	March 27
1311		378	March 27	March 27
1745		379	March 27	March 27
	1789	380	March 27	March 27
	1798	381	March 27	March 27
	1892	382	March 27	March 27

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

SECOND READING OF SENATE BILLS

S. F. Nos. 2099, 1028 and 2166 were read for the second time.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1272, A bill for an act relating to aeronautics; excluding parachutes and parachuting from the jurisdiction of the department of transportation; amending Minnesota Statutes 1978, Section 360.013, Subdivisions 2, 3 and 11.

H. F. No. 1765, A bill for an act relating to financial institutions; excluding certain loans made by credit unions in calculating outstanding loans and risk assets for reserve fund purposes; amending Minnesota Statutes 1978, Section 52.17.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 2067, A bill for an act relating to financial institutions; modifying director's residence requirements for industrial loan and thrift companies; providing for a report to the commissioner in the event of a change of control; requiring insurance or guarantee of certificates of indebtedness sold or issued for investment; exempting certificates of indebtedness from the regulation of securities; amending Minnesota Statutes 1978, Sections 53.06; 53.09, Subdivision 2; Chapter 53, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 80A.15, Subdivision 1.

H. F. No. 2122, A bill for an act relating to insurance; increasing the maximum limits on the insuring or reinsuring of a single risk of certain companies; defining a term; amending Minnesota Statutes 1978, Section 60A.09, Subdivision 1, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1742, A bill for an act relating to highway traffic regulations; authorizing pick up trucks used for certain purposes to draw two trailers under certain circumstances and within limited areas; amending Minnesota Statutes 1978, Section 169.81, by adding a subdivision.

H. F. No. 1835, A bill for an act relating to motor vehicles; setting due dates for installment payments of motor vehicle registration taxes; extending the coroner's reporting time of deaths resulting from motor vehicle accidents; authorizing the use of accident reports by certain agencies for accident prevention purposes; requiring bumpers on certain motor vehicles; allowing cities and towns to declare segments of city streets and town roads to be urban districts and to post urban district speed limits on them; amending Minnesota Statutes 1978, Sections 168.31, Subdivision 4; 169.09, Subdivisions 11 and 13; and 169.14, by adding a subdivision; 169.73, Subdivisions 1 and 2; repealing Minnesota Statutes 1978, Section 169.73, Subdivisions 3, 4 and 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2476, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivision 1; 16.854, Subdivision 1; 16A.131, by adding a subdivision; 16A.67, Subdivision 1; 16A.721; 43.005, by adding a subdivision; 43.05, Subdivision 2; 43.062, Subdivisions 1, 2 and 3; 43.065; 43.067, Subdivision 2; 43.068; 43.323, Subdivisions 1 and 2; 43.35; 62D, by adding a subdivision; 82.34; 90.195; 94.10, Subdivision 1; 94.16; 121.90; 121.902, Subdivision 1; 121.906, Subdivision 2; 121.908; 121.912, Subdivision 2; 121.914, Subdivision 1; 136.81, Subdivision 1; 145.913, Subdivision 3; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62, Subdivisions 2 and 3; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 246.014; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 403.11, Subdivision 3; 473.408, Subdivision 3; 490.123, Subdivision 1; and Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 121, by adding sections; 216A, by adding a section; 246, by adding a section; 253A, by adding a section; 256, by adding a section; 259, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.3005, Subdivision 4; 15A.083, Subdivision 4; 16A.126; 174.28, Subdivision 2; 43.09, Subdivision 2a; 43.24; 82.81, Subdivision 1; 121.917, Subdivision 4; 354A.12, Subdivision 2; 422A.101, Subdivision 3; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5; 301, Section 3, by adding a subdivision; repealing Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 121.92, Subdivision 1; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.93; 16.965; 121.92, Subdivision 2; and Laws 1979, Chapter 217, Section 11.

The Senate has appointed as such committee Messrs. Moe, Coleman, Ashbach, Spear and Willet.

House File No. 2476 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1731, A bill for an act relating to labor; regulating certain steam engines and boilers and steam engine and boiler operators; amending Minnesota Statutes 1978, Chapter 183, by adding a section.

PATRICK E. FLAHAVEN, Secretary of the Senate

Niehaus moved that the House refuse to concur in the Senate amendment to H. F. No. 1731, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1095, A bill for an act relating to courts; authorizing certain actions against state officers to be tried in a county other than where the cause of action arose; providing for procedure for removal; amending Minnesota Statutes 1978, Sections 542.03; and 542.18.

PATRICK E. FLAHAVEN, Secretary of the Senate

Corbid moved that the House refuse to concur in the Senate amendments to H. F. No. 1095, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1435, A bill for an act relating to health; exempting out of state physicians from licensing regulations under certain conditions; amending Minnesota Statutes 1978, Section 147.09.

PATRICK E. FLAHAVER, Secretary of the Senate

Forsythe moved that the House refuse to concur in the Senate amendments to H. F. No. 1435, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2191, A bill for an act relating to unemployment compensation; including certain services as within definition of employment; providing for the noncharging of certain benefits; regulating accounts of successor employers; regulating reimbursements; providing for deductions from benefits; clarifying a certain disqualification from benefits; regulating employer protests; regulating certain interest charges and penalties; providing for adjustments; amending Minnesota Statutes 1978, Sections 268.06, Subdivisions 25, 26 and 28; 268.10, Subdivision 1; 268.16, Subdivisions 1, 2 and 6; and Minnesota Statutes, 1979 Supplement, Sections 268.04, Subdivision 12; 268.06, Subdivisions 5, 22 and 33; 268.08, Subdivision 3; and 268.09, Subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Minne moved that the House concur in the Senate amendments to H. F. No. 2191 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2191, A bill for an act relating to unemployment compensation; including certain services as within definition of employment; providing for the noncharging of certain benefits; regulating accounts of successor employers; regulating reimbursements; providing for deductions from benefits; clarifying a certain disqualification from benefits; regulating employer protests; regulating certain interest charges and penalties; providing for adjustments; amending Minnesota Statutes 1978, Sections 268.06, Subdivisions 25, 26 and 28; 268.10, Subdivision 1; 268.16, Subdivisions 1, 2 and 6; and Minnesota Statutes, 1979

Supplement, Sections 268.04, Subdivision 12; 268.06, Subdivisions 5, 22 and 33; 268.08, Subdivision 3; and 268.09, Subdivision 1.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Niehaus	Searles
Adams	Eken	Kalis	Norman	Sherwood
Ainley	Elioff	Kelly	Novak	Sieben, H.
Albrecht	Ellingson	Kempe	Nysether	Sieben, M.
Anderson, B.	Erickson	Knickerbocker	Olsen	Simoneau
Anderson, G.	Esau	Kostohryz	Onnen	Stadum
Anderson, I.	Evans	Kroening	Osthoff	Stowell
Anderson, R.	Ewald	Kvam	Otis	Sviggum
Battaglia	Faricy	Laidig	Patton	Swanson
Begich	Fjoslien	Lehto	Pehler	Thiede
Berglin	Forsythe	Levi	Peterson, B.	Tomlinson
Berkelman	Fritz	Long	Peterson, D.	Valan
Biersdorf	Fudro	Ludeman	Piepho	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Halberg	Mann	Prahl	Voss
Byrne	Haukoos	McCarron	Redalen	Waldorf
Carlson, D.	Heap	McEachern	Reding	Weaver
Carlson, L.	Heinitz	Mehrkens	Rees	Welch
Casserly	Hoberg	Metzen	Reif	Welker
Clark	Hokanson	Minne	Rice	Wenzel
Clawson	Jacobs	Moe	Rodriguez	Wieser
Corbid	Jaros	Munger	Rose	Wigley
Crandall	Jennings	Murphy	Rothenberg	Wynia
Dean	Johnson, D.	Nelsen, B.	Sarna	Zubay
Dempsey	Jude	Nelsen, M.	Schreiber	Spkr. Norton
Den Ouden	Kahn	Nelson	Searle	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2374, A bill for an act relating to the state ceremonial building; creating the state ceremonial building board; amending Minnesota Statutes 1978, Section 16.872.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Dean moved that the House concur in the Senate amendments to H. F. No. 2374 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2374, A bill for an act relating to the state ceremonial building; creating the state ceremonial building council; amending Minnesota Statutes 1978, Section 16.872.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Niehaus	Searles
Adams	Eken	Kalis	Norman	Sherwood
Ainley	Elioff	Kelly	Novak	Sieben, H.
Albrecht	Ellingson	Kempe	Nysether	Sieben, M.
Anderson, B.	Erickson	Knickerbocker	Olsen	Simoneau
Anderson, G.	Esau	Kostohryz	Onnen	Stadum
Anderson, I.	Evans	Kroening	Osthoff	Stowell
Anderson, R.	Ewald	Kvam	Otis	Sviggum
Battaglia	Faricy	Laidig	Patton	Swanson
Begich	Fjoslien	Lehto	Pehler	Thiede
Berglin	Forsythe	Levi	Peterson, B.	Tomlinson
Berkelman	Fritz	Long	Peterson, D.	Valan
Biersdorf	Fudro	Ludeman	Piepho	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Halberg	Mann	Prahl	Voss
Byrne	Haukoos	McCarron	Redalen	Waldorf
Carlson, D.	Heap	McEachern	Reding	Weaver
Carlson, L.	Heinitz	Mehrkens	Rees	Welch
Casserly	Hoberg	Metzen	Reif	Welker
Clark	Hokanson	Minne	Rice	Wenzel
Clawson	Jacobs	Moe	Rodriguez	Wieser
Corbid	Jaros	Munger	Rose	Wigley
Crandall	Jennings	Murphy	Rothenberg	Wynia
Dean	Johnson, D.	Nelsen, B.	Sarna	Zubay
Dempsey	Jude	Nelsen, M.	Schreiber	Spkr. Norton
Den Ouden	Kahn	Nelson	Searle	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1899, A bill for an act relating to the office of secretary of state; adjusting certain fees collected by that office; making them more uniform; amending Minnesota Statutes 1978, Sections 47.16; 53.01; 221.67; 303.13, Subdivision 1; 308.060, Subdivision 4; 317.04, Subdivision 3; 317.67; 540.152; and 543.08.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Jaros moved that the House concur in the Senate amendments to H. F. No. 1899 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1899, A bill for an act relating to the office of secretary of state; adjusting certain fees collected by that office; making them more uniform; amending Minnesota Statutes 1978, Sections 47.16; 53.01; 221.67; 303.13, Subdivision 1; 308.06, Subdivision 4; 317.04, Subdivision 3; 317.67; 540.152; and 543.08.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kalis	Niehaus	Searles
Adams	Eken	Kelly	Norman	Sherwood
Ainley	Elioff	Kempe	Novak	Sieben, H.
Albrecht	Erickson	Knickerbocker	Nysether	Sieben, M.
Anderson, B.	Esau	Kostohryz	Olsen	Simoneau
Anderson, G.	Evans	Kroening	Onnen	Stadum
Anderson, I.	Ewald	Kvam	Osthoff	Stowell
Anderson, R.	Faricy	Laidig	Otis	Sviggum
Battaglia	Fjoslien	Lehto	Patton	Swanson
Begich	Forsythe	Levi	Pehler	Thiede
Berglin	Fritz	Long	Peterson, B.	Tomlinson
Berkelman	Fudro	Ludeman	Peterson, D.	Valan
Biersdorf	Greenfield	Luknic	Piepho	Valento
Blatz	Halberg	Mann	Pleasant	Vanasek
Brinkman	Haukoos	McCarron	Prahl	Voss
Byrne	Heap	McDonald	Redalen	Waldorf
Carlson, D.	Heinitz	McEachern	Reding	Weaver
Carlson, L.	Hoberg	Mehrkens	Rees	Welch
Cassery	Hokanson	Metzen	Reif	Welker
Clark	Jacobs	Minne	Rice	Wenzel
Clawson	Jaros	Moe	Rodriguez	Wieser
Corbid	Jennings	Munger	Rose	Wigley
Crandall	Johnson, D.	Murphy	Rothenberg	Wynia
Dean	Jude	Nelsen, B.	Sarna	Zubay
Dempsey	Kahn	Nelsen, M.	Schreiber	Spkr. Norton
Den Ouden	Kaley	Nelson	Searle	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2075, A bill for an act relating to health; requiring certain immunizations for children; requiring certain schools to maintain immunization records and make certain reports; amending Minnesota Statutes 1978, Section 123.70.

PATRICK E. FLAHAVERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Swanson moved that the House concur in the Senate amendments to H. F. No. 2075 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2075, A bill for an act relating to health; requiring certain immunizations for children; requiring certain schools to maintain immunization records and make certain reports; amending Minnesota Statutes 1978, Section 123.70.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Nelson	Schreiber
Adams	Elioff	Kalis	Niehaus	Searle
Ainley	Ellingson	Kelly	Norman	Searles
Anderson, B.	Erickson	Kempe	Novak	Sherwood
Anderson, G.	Esau	Knickerbocker	Nysether	Sieben, H.
Anderson, I.	Evans	Kostohryz	Olsen	Sieben, M.
Anderson, R.	Ewald	Kroening	Onnen	Simoneau
Battaglia	Faricy	Laidig	Osthoff	Stadum
Begich	Fjoslien	Lehto	Otis	Stowell
Berglin	Forsythe	Levi	Patton	Swanson
Berkelman	Fudro	Long	Pehler	Thiede
Biersdorf	Greenfield	Ludeman	Peterson, B.	Tomlinson
Blatz	Halberg	Luknic	Peterson, D.	Valan
Brinkman	Haukoos	Mann	Piepho	Valento
Byrne	Heap	McCarron	Pleasant	Vanasek
Carlson, D.	Heinitz	McDonald	Prahl	Voss
Carlson, L.	Hoberg	McEachern	Redalen	Waldorf
Casserly	Hokanson	Mehrkens	Reding	Weaver
Clark	Jacobs	Metzen	Rees	Welch
Clawson	Jaros	Minne	Reif	Welker
Corbid	Jennings	Moe	Rice	Wenzel
Crandall	Johnson, C.	Munger	Rodriguez	Wieser
Dean	Johnson, D.	Murphy	Rose	Wynia
Dempsey	Jude	Nelsen, B.	Rothenberg	Zubay
Drew	Kahn	Nelsen, M.	Sarna	Spkr. Norton

Those who voted in the negative were:

Albrecht	Den Ouden	Fritz	Kvam	Sviggum
				Wigley

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2185, A bill for an act relating to the Knife Lake Improvement District in Kanabec County; authorizing Kanabec County to finance the cost of a certain improvement within the district.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Nelsen, M., moved that the House concur in the Senate amendments to H. F. No. 2185 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2185, A bill for an act relating to public improvements; authorizing Kanabec County to finance the cost of a certain improvement within the Knife Lake Improvement District in Kanabec County; changing definitions, board membership, compensation, and powers of the Moose Lake-Windemere Sewer District; amending Laws 1974, Chapter 400, Sections 3, Subdivisions 5 and 12; 4, Subdivisions 2 and 9; and 8, by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, L.	Faricy	Jude	McCarron
Adams	Casserly	Fjoshien	Kahn	McDonald
Ainley	Clark	Forsythe	Kaley	McEachern
Albrecht	Clawson	Fritz	Kalis	Mehrkens
Anderson, B.	Corbid	Fudro	Kelly	Metzen
Anderson, G.	Crandall	Greenfield	Kempe	Minne
Anderson, I.	Dean	Halberg	Knickerbocker	Moe
Anderson, R.	Dempsey	Haukoos	Kostohryz	Munger
Battaglia	Den Ouden	Heap	Kroening	Murphy
Begich	Drew	Heinitz	Kvam	Nelsen, B.
Berglin	Eken	Hoberg	Laidig	Nelsen, M.
Berkelman	Elioff	Hokanson	Lehto	Nelson
Biersdorf	Ellingson	Jacobs	Levi	Niehaus
Blatz	Erickson	Jaros	Long	Norman
Brinkman	Esau	Jennings	Ludeman	Novak
Byrne	Evans	Johnson, C.	Luknic	Nysether
Carlson, D.	Ewald	Johnson, D.	Mann	Olsen

Onnen	Redalen	Schreiber	Swanson	Welker
Osthoff	Reding	Searles	Thiede	Wenzel
Otis	Rees	Sherwood	Tomlinson	Wieser
Pehler	Reif	Sieben, H.	Valan	Wigley
Peterson, B.	Rice	Sieben, M.	Valento	Wynia
Peterson, D.	Rodriguez	Simoneau	Voss	Zubay
Piepho	Rose	Stadum	Waldorf	Spkr. Norton
Pleasant	Rothenberg	Stowell	Weaver	
Prahl	Sarna	Sviggum	Welch	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1987, A bill for an act relating to local government; regulating financial reports of certain municipal hospitals and nursing homes; amending Minnesota Statutes, 1979 Supplement, Sections 471.697, Subdivision 1; and 471.698, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Mehrkens moved that the House concur in the Senate amendments to H. F. No. 1987 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1987, A bill for an act relating to local government; regulating financial reports of certain municipal hospitals and nursing homes; amending Minnesota Statutes, 1979 Supplement, Sections 471.697, Subdivision 1; and 471.698, Subdivision 1.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Begich	Clark	Ellingson	Greenfield
Adams	Berglin	Clawson	Erickson	Halberg
Ainley	Berkelman	Corbid	Esau	Haukoos
Albrecht	Biersdorf	Crandall	Evans	Heap
Anderson, B.	Blatz	Dean	Ewald	Heinitz
Anderson, D.	Brinkman	Dempsey	Faricy	Hoberg
Anderson, G.	Byrne	Den Ouden	Fjoslien	Hokanson
Anderson, I.	Carlson, D.	Drew	Forsythe	Jacobs
Anderson, R.	Carlson, L.	Eken	Fritz	Jaros
Battaglia	Casserly	Elioff	Fudro	Jennings

Johnson, C.	Luknic	Nysether	Rodriguez	Valan
Johnson, D.	Mann	Olsen	Rose	Valento
Jude	McCarron	Onnen	Rothenberg	Vanasek
Kahn	McDonald	Osthoff	Sarna	Voss
Kaley	McEachern	Otis	Schreiber	Waldorf
Kalis	Mehrkens	Patton	Searle	Weaver
Kelly	Metzen	Pehler	Searles	Welch
Kempe	Minne	Peterson, B.	Sherwood	Welker
Knickerbocker	Moe	Peterson, D.	Sieben, H.	Wenzel
Kostohryz	Munger	Piepho	Sieben, M.	Wieser
Kroening	Murphy	Pleasant	Simoneau	Wigley
Kvam	Nelsen, B.	Prahl	Stadium	Wynia
Laidig	Nelsen, M.	Redalen	Stowell	Zubay
Lehto	Nelson	Reding	Sviggum	Spkr. Norton
Levi	Niehaus	Rees	Swanson	
Long	Norman	Reif	Thiede	
Ludeman	Novak	Rice	Tomlinson	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1818, A bill for an act relating to game and fish; authorizing moose seasons in the discretion of the commissioner; granting preference to landowners in obtaining moose licenses; amending Minnesota Statutes 1978, Section 100.27, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 100.271, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Reding moved that the House refuse to concur in the Senate amendments to H. F. No. 1818, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1841, A bill for an act relating to state government; providing for certain historical memorials; providing an appropriation.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clawson moved that the House concur in the Senate amendments to H. F. No. 1841 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1841, A bill for an act relating to state government; providing for certain historical memorials; providing an appropriation.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Nelson	Searle
Adams	Eken	Kalis	Niehaus	Searles
Ainley	Elioff	Kelly	Norman	Sherwood
Albrecht	Ellingson	Kempe	Novak	Sieben, H.
Anderson, B.	Erickson	Knickerbocker	Nysether	Sieben, M.
Anderson, D.	Esau	Kostohryz	Olsen	Simoneau
Anderson, G.	Evans	Kroening	Onnen	Stadum
Anderson, I.	Faricy	Kvam	Osthoff	Stowell
Anderson, R.	Fjoslien	Laidig	Otis	Sviggum
Battaglia	Forsythe	Lehto	Patton	Swanson
Begich	Fritz	Levi	Pehler	Thiede
Berglin	Fudro	Long	Peterson, B.	Tomlinson
Berkelman	Greenfield	Ludeman	Peterson, D.	Valan
Biersdorf	Halberg	Luknic	Piepho	Valento
Blatz	Haukoos	Mann	Pleasant	Voss
Brinkman	Heap	McCarron	Prahl	Waldorf
Byrne	Heinitz	McDonald	Redalen	Weaver
Carlson, D.	Hoberg	McEachern	Reding	Welch
Carlson, L.	Hokanson	Mehrkens	Rees	Welker
Clark	Jacobs	Metzen	Reif	Wenzel
Clawson	Jaros	Minne	Rice	Wieser
Corbid	Jennings	Moe	Rodriguez	Wigley
Crandall	Johnson, C.	Munger	Rose	Wynia
Dean	Johnson, D.	Murphy	Rothenberg	Zubay
Dempsey	Jude	Nelsen, B.	Sarna	Spkr. Norton
Den Ouden	Kahn	Nelsen, M.	Schreiber	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1779, A bill for an act relating to judicial procedures; changing the procedures and circumstances under which

guardians and conservators may be appointed; clarifying the powers and duties of guardians and conservators; providing for the appointment, powers, and duties of guardians and conservators of minors; amending Minnesota Statutes 1978, Sections 525.54; 525.541; 525.542; 525.543; 525.544; 525.55; 525.56; 525.57; 525.58; 525.581; 525.583; 525.59; 525.591; 525.60, Subdivision 1; 525.62; 525.63; 525.67; 525.69; 525.83; and Chapter 525, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 525.551; and 525.61; repealing Minnesota Statutes 1978, Sections 525.60, Subdivision 2; 525.611; 525.612; 525.613; 525.614; and 525.621.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Jude moved that the House concur in the Senate amendments to H. F. No. 1779 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1779, A bill for an act relating to judicial procedures; changing the procedures and circumstances under which guardians and conservators may be appointed; clarifying the powers and duties of guardians and conservators; providing for the appointment, powers, and duties of guardians and conservators of minors; amending Minnesota Statutes 1978, Sections 525.54; 525.541; 525.542; 525.543; 525.544; 525.55; 525.56; 525.57; 525.58; 525.581; 525.583; 525.59; 525.591; 525.60, Subdivision 1; 525.62; 525.63; 525.651; 525.67; 525.69; 525.83; and Chapter 525, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 525.551; and 525.61; repealing Minnesota Statutes 1978, Sections 525.60, Subdivision 2; 525.611; 525.612; 525.613; 525.614; and 525.621.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Blatz	Eken	Halberg	Kaley
Adams	Brinkman	Elioff	Haukoos	Kalis
Ainley	Byrne	Ellingson	Heap	Kelly
Albrecht	Carlson, D.	Erickson	Heinitz	Kempe
Anderson, B.	Carlson, L.	Esau	Hoberg	Knickerbocker
Anderson, D.	Casserly	Evans	Hokanson	Kostohryz
Anderson, G.	Clark	Ewald	Jacobs	Kroening
Anderson, I.	Clawson	Faricy	Jaros	Kvam
Anderson, R.	Corbid	Fjoslien	Jennings	Laidig
Battaglia	Crandall	Forsythe	Johnson, C.	Lehto
Begich	Dean	Fritz	Johnson, D.	Levi
Berglin	Den Ouden	Fudro	Jude	Long
Berkelman	Drew	Greenfield	Kahn	Ludeman

Luknic	Norman	Prahl	Sherwood	Waldorf
Mann	Novak	Redalen	Sieben, H.	Weaver
McCarron	Nysether	Reding	Sieben, M.	Welch
McDonald	Olsen	Rees	Simoneau	Welker
McEachern	Onnen	Reif	Stadum	Wenzel
Mehrkens	Osthoff	Rice	Sviggum	Wieser
Metzen	Otis	Rodriguez	Swanson	Wigley
Minne	Patton	Rose	Thiede	Wynia
Munger	Pehler	Rothenberg	Tomlinson	Zubay
Murphy	Peterson, B.	Sarna	Valan	Spkr. Norton
Nelsen, B.	Peterson, D.	Schreiber	Valento	
Nelsen, M.	Piepho	Searle	Vanasek	
Niehaus	Pleasant	Searles	Voss	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2082, A bill for an act relating to elections; providing for special elections to fill vacancies in statutory city offices; amending Minnesota Statutes 1978, Sections 205.10; 205.17, Subdivision 1; and 412.02, Subdivision 2, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

McCarron moved that the House concur in the Senate amendments to H. F. No. 2082 and that the bill be repassed as amended by the Senate.

Osthoff moved that the House refuse to concur in the Senate amendments to H. F. No. 2082, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

The question was taken on the motion to refuse to concur and to appoint a Conference Committee and the roll was called. There were 83 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Aasness	Begich	Crandall	Esau	Fritz
Adams	Biersdorf	Dempsey	Evans	Fudro
Ainley	Blatz	Den Ouden	Ewald	Halberg
Albrecht	Brinkman	Drew	Faricy	Heap
Anderson, R.	Carlson, D.	Elioff	Fjoslien	Heimitz
Battaglia	Carlson, L.	Erickson	Forsythe	Hoberg

Hokanson	McDonald	Pehler	Sarna	Valan
Jennings	McEachern	Peterson, B.	Schreiber	Valento
Johnson, D.	Mehrkens	Piepho	Searle	Voss
Jude	Minne	Prahl	Searles	Waldorf
Kaley	Nelsen, B.	Redalen	Sherwood	Weaver
Kostohryz	Niehaus	Rees	Simoneau	Welker
Kvam	Nysether	Reif	Stadum	Wenzel
Laidig	Olsen	Rice	Stowell	Wieser
Levi	Onnen	Rodriguez	Sviggum	Wigley
Ludeman	Osthoff	Rose	Swanson	
Luknic	Patton	Rothenberg	Thiede	

Those who voted in the negative were :

Anderson, B.	Ellingson	Kroening	Nelson	Tomlinson
Anderson, D.	Greenfield	Lehto	Norman	Vanasek
Anderson, G.	Jacobs	Long	Novak	Welch
Anderson, I.	Jaros	Mann	Otis	Wynia
Berglin	Johnson, C.	McCarron	Peterson, D.	Zubay
Berkelman	Kahn	Moe	Pleasant	Spkr. Norton
Byrne	Kalis	Munger	Reding	
Clark	Kelly	Murphy	Sieben, H.	
Dean	Kempe	Nelsen, M.	Sieben, M.	

The Osthoff motion prevailed.

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested :

H. F. No. 1534, A bill for an act relating to real estate; increasing certain fees charged by the county recorder and registrar of titles; providing that the county recorder be notified of deferred assessments; amending Minnesota Statutes 1978, Sections 273.111, Subdivision 11; 357.18, Subdivision 1; 375.14; 429.061, Subdivision 2; 462.358, by adding a subdivision; and 508.82.

PATRICK E. FLAHAVER, Secretary of the Senate

Weaver moved that the House refuse to concur in the Senate amendments to H. F. No. 1534, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted :

S. F. Nos. 1340, 1724, 1752 and 2283.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 514, 1582, 2182 and 2337.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1906 and 2100.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 657.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1340, A bill for an act relating to motor vehicles; providing for the re-registration of certain motor vehicles; exempting certain vehicles from certain weight limitations; providing for the enforcement of weight limitations and providing penalties; amending Minnesota Statutes 1978, Sections 169.03, Subdivision 6; 169.832, Subdivision 2, and by adding a subdivision; 169.85; and Minnesota Statutes, 1979 Supplement, Section 168.013, Subdivision 3.

The bill was read for the first time.

Brinkman moved that S. F. No. 1340 and H. F. No. 1373, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1724, A bill for an act relating to taxation; exempting admissions to events or premises of nonprofit arts organizations from the sales tax and local admissions or amusement

taxes; amending Minnesota Statutes, 1979 Supplement, Section 297A.25, Subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 1752, A bill for an act relating to commerce; requiring invoices on certain repairs; amending Minnesota Statutes 1978, Sections 325.972; and 325.976.

The bill was read for the first time.

Kelly moved that S. F. No. 1752 and H. F. No. 1755, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2283, A bill for an act relating to local improvements; providing for certain hearings and appeals on special assessments; amending Minnesota Statutes 1978, Sections 429.061, Subdivisions 1 and 2; and 429.081.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 514, A bill for an act relating to education; requiring the board of education to establish and fill the position of specialist for industrial arts education and to prescribe the duties of the specialist; appropriating money; amending Minnesota Statutes 1978, Section 121.11, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1582, A bill for an act relating to agriculture; establishing a system for collection of disease incidence, morbidity and mortality; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 2182, A bill for an act relating to health; directing the commissioner of health to undertake studies for determining health and environmental effects of high voltage transmission lines; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 2337, A bill for an act relating to appropriations; providing a reimbursement to the city of Fergus Falls for local improvements that benefit state property.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1906, A bill for an act relating to watershed districts; regulating drainage systems in the metropolitan area; regulating administration of the Nine Mile Creek Watershed District, the Riley-Purgatory Creek Watershed District and the Red Lake Watershed District; authorizing an ad valorem tax for certain purposes.

The bill was read for the first time.

Pleasant moved that S. F. No. 1906 and H. F. No. 1905, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2100, A bill for an act relating to trade regulations; providing limits on formaldehyde concentrations emitted from building materials and insulation; prohibiting certain transactions; enacting the uniform trade secrets act; providing remedies; prescribing penalties.

The bill was read for the first time.

Greenfield moved that S. F. No. 2100 and H. F. No. 2088, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 657, A bill for an act relating to nuclear fission thermal power plant certificates of need; adding additional conditions; providing changes in rate base computations; amending Minnesota Statutes 1978, Sections 116H.02, by adding subdivisions; 116H.13, by adding a subdivision; and 216B.16, Subdivision 6.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Kempe was excused from 2:45 p.m. to 6:00 p.m.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bills: S. F. Nos. 74 and 572.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1790, A bill for an act relating to advertising devices; authorizing advertising devices within 500 feet of local parks under certain circumstances; amending Minnesota Statutes 1978, Section 173.08, Subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Battaglia moved that the House concur in the Senate amendments to H. F. No. 1790 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1790, A bill for an act relating to advertising devices; authorizing advertising devices within 500 feet of local parks under certain circumstances; providing for a travel information franchise program, and prescribing the powers and duties of the commissioner of transportation in relation thereto; amending Minnesota Statutes 1978, Section 160.08, Subdivision 7; 161.23, Subdivision 3; 161.433, Subdivision 2; 161.434; and 173.08, Subdivision 2.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, D.	Forsythe	Kahn	Mehrkens
Adams	Carlson, L.	Friedrich	Kaley	Metzen
Ainley	Clark	Fritz	Kalis	Minne
Albrecht	Clawson	Fudro	Kelly	Moe
Anderson, B.	Crandall	Greenfield	Kempe	Munger
Anderson, D.	Dempsey	Halberg	Knickerbocker	Murphy
Anderson, G.	Den Ouden	Haukoos	Kostohryz	Nelsen, B.
Anderson, I.	Drew	Heap	Kroening	Nelsen, M.
Anderson, R.	Eken	Heinitz	Kvam	Nelson
Battaglia	Elioff	Hoberg	Laidig	Niehaus
Begich	Ellingson	Hokanson	Long	Norman
Berglin	Erickson	Jacobs	Ludeman	Novak
Berkelman	Esau	Jaros	Luknic	Nysether
Biersdorf	Eyans	Jennings	Mann	Olsen
Blatz	Ewald	Johnson, C.	McCarron	Onnen
Brinkman	Faricy	Johnson, D.	McDonald	Osthoff
Byrne	Fjoslien	Jude	McEachern	Otis

Patton	Rees	Searles	Thiede	Wenzel
Pehler	Reif	Sherwood	Tomlinson	Wieser
Peterson, B.	Rice	Sieben, H.	Valento	Wigley
Peterson, D.	Rodriguez	Sieben, M.	Vanasek	Wynia
Piepho	Rose	Simoneau	Voss	Zubay
Pleasant	Rothenberg	Stadum	Waldorf	Spkr. Norton
Prahl	Sarna	Stowell	Weaver	
Redalen	Schreiber	Sviggum	Welch	
Reding	Searle	Swanson	Welker	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1286, A bill for an act relating to commerce; providing for the qualification of free distribution newspapers as legal newspapers; amending Minnesota Statutes 1978, Section 331.02, Subdivisions 1 and 6; repealing Minnesota Statutes 1978, Sections 16.61 and 331.09.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clawson moved that the House concur in the Senate amendments to H. F. No. 1286 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1286, A bill for an act relating to commerce; providing for the qualification of free distribution newspapers as legal newspapers; amending Minnesota Statutes 1978, Section 331.02, Subdivisions 1 and 6; repealing Minnesota Statutes 1978, Sections 16.61 and 331.09.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 92 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark	Ewald	Jaros	Laidig
Adams	Clawson	Faricy	Johnson, C.	Lehto
Ainley	Corbid	Fudro	Johnson, D.	Long
Anderson, G.	Crandall	Greenfield	Jude	Ludeman
Berglin	Dempsey	Halberg	Kahn	Luknic
Berkelman	Den Ouden	Haukoos	Kaley	Mann
Brinkman	Eken	Heap	Kelly	McCarron
Byrne	Elioff	Heinitz	Kempe	McDonald
Carlson, L.	Ellingson	Hokanson	Knickerbocker	McEachern
Cassery	Evans	Jacobs	Kroening	Mehrkens

Metzen	Otis	Rees	Stadum	Weaver
Minne	Patton	Reif	Stowell	Welker
Moe	Pehler	Rice	Swanson	Wenzel
Munger	Peterson, D.	Rodriguez	Thiede	Wynia
Murphy	Piepho	Sarna	Tomlinson	Zubay
Nelsen, B.	Pleasant	Searles	Valento	Spkr. Norton
Nelsen, M.	Prahl	Sieben, H.	Vanasek	
Nelson	Redalen	Sieben, M.	Voss	
Norman	Reding	Simoneau	Waldorf	

Those who voted in the negative were:

Albrecht	Biersdorf	Jennings	Nysether	Searle
Anderson, B.	Blatz	Kalis	Olsen	Sviggum
Anderson, D.	Drew	Kostohryz	Onnen	Valan
Anderson, I.	Erickson	Kvam	Osthoff	Welch
Anderson, R.	Esau	Levi	Peterson, B.	Wieser
Battaglia	Fjoslien	Niehaus	Rose	Wigley
Begich	Fritz	Novak	Schreiber	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1837, A bill for an act relating to insurance; extending the temporary joint underwriting association act for an additional two year period; extending the termination date of certain insurance policies; amending Minnesota Statutes 1978, Sections 62F.01, Subdivision 2; and 62F.06, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Carlson, L., moved that the House concur in the Senate amendments to H. F. No. 1837 and that the bill be repassed as amended by the Senate.

Heinitz moved that the House refuse to concur in the Senate amendments to H. F. No. 1837, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Berglin and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Elioff	Kahn	Norman	Simoneau
Adams	Ellingson	Kaley	Novak	Stadum
Ainley	Erickson	Kalis	Nysether	Stowell
Albrecht	Esau	Kelly	Olsen	Sviggum
Anderson, B.	Evans	Knickerbocker	Otis	Swanson
Anderson, D.	Ewald	Kostohryz	Pehler	Thiede
Anderson, G.	Faricy	Kroening	Peterson, B.	Tomlinson
Anderson, I.	Fjoslien	Kvam	Peterson, D.	Valan
Anderson, R.	Friedrich	Long	Piepho	Valento
Battaglia	Fritz	Ludeman	Pleasant	Vanasek
Begich	Fudro	Luknic	Prahl	Weaver
Berglin	Greenfield	McCarron	Redalen	Welch
Berkelman	Halberg	McDonald	Reding	Welker
Biersdorf	Haukoos	McEachern	Rees	Wenzel
Blatz	Heap	Mehrkens	Rice	Wieser
Byrne	Heinitz	Metzen	Rodriguez	Wigley
Carlson, D.	Hoberg	Minne	Rose	Wynia
Carlson, L.	Hokanson	Moe	Rothenberg	Zubay
Clark	Jacobs	Munger	Sarna	Spkr. Norton
Crandall	Jaros	Murphy	Searle	
Den Ouden	Jennings	Nelsen, B.	Sherwood	
Drew	Johnson, C.	Nelsen, M.	Sieben, H.	
Eken	Johnson, D.	Niehaus	Sieben, M.	

Vanasek moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Heinitz motion to refuse to concur and the roll was called.

Faricy moved that those not voting be excused from voting. The motion did not prevail.

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

There were 52 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Ainley	Forsythe	Kvam	Pleasant	Thiede
Albrecht	Friedrich	Laidig	Redalen	Valento
Anderson, D.	Halberg	Levi	Rees	Weaver
Brinkman	Haukoos	Ludeman	Reif	Welker
Crandall	Heap	McDonald	Rose	Wenzel
Dean	Heinitz	Nelsen, B.	Rothenberg	Wieser
Den Ouden	Hoberg	Niehaus	Schreiber	Wigley
Erickson	Jennings	Norman	Searle	Zubay
Esau	Johnson, D.	Olsen	Searles	
Ewald	Kaley	Onnen	Stowell	
Fjoslien	Knickerbocker	Peterson, B.	Sviggum	

Those who voted in the negative were:

Aasness	Anderson, R.	Blatz	Clark	Elioff
Adams	Battaglia	Byrne	Clawson	Ellingson
Anderson, B.	Begich	Carlson, D.	Corbid	Evans
Anderson, G.	Berglin	Carlson, L.	Drew	Faricy
Anderson, I.	Berkelman	Casserly	Eken	Fritz

Fudro	Kroening	Munger	Piepho	Stoa
Greenfield	Lehto	Murphy	Prahl	Swanson
Hokanson	Long	Nelsen, M.	Reding	Tomlinson
Jacobs	Luknic	Nelson	Rice	Valan
Jaros	Mann	Novak	Rodriguez	Vanasek
Johnson, C.	McCarron	Nysether	Sarna	Voss
Jude	McEachern	Osthoff	Sherwood	Waldorf
Kahn	Mehrkens	Otis	Sieben, H.	Welch
Kalis	Metzen	Patton	Sieben, M.	Wynia
Kelly	Minne	Pehler	Simoneau	Spkr. Norton
Kostohryz	Moe	Peterson, D.	Stadum	

The Heintz motion did not prevail.

The question recurred on the Carlson, L., motion that the House concur in the Senate amendments to H. F. No. 1837 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1837, A bill for an act relating to insurance; requiring the issuance of temporary licenses to certain qualified persons; extending the temporary joint underwriting association act for an additional two year period; extending the termination date of certain insurance policies; prohibiting changes in workers' compensation insurance rates until a new petition is filed by the rating association containing certain information; amending Minnesota Statutes 1978, Sections 60A.17, by adding a subdivision; 62F.01, Subdivision 2; and 62F.06, Subdivision 1; and Chapter 79, by adding a section.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 82 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, D.	Greenfield	Luknic	Osthoff
Adams	Carlson, L.	Hokanson	Mann	Otis
Ainley	Clark	Jacobs	McCarron	Patton
Anderson, B.	Clawson	Jaros	McEachern	Pehler
Anderson, G.	Corbid	Johnson, C.	Mehrkens	Peterson, D.
Anderson, I.	Drew	Jude	Metzen	Prahl
Anderson, R.	Eken	Kahn	Minne	Reding
Battaglia	Elioff	Kalis	Moe	Rice
Begich	Ellingson	Kelly	Munger	Rodriguez
Berglin	Evans	Knickerbocker	Murphy	Sarna
Berkelman	Faricy	Kostohryz	Nelsen, B.	Sherwood
Blatz	Fjoslien	Kroening	Nelsen, M.	Sieben, H.
Brinkman	Fritz	Lehto	Nelson	Sieben, M.
Byrne	Fudro	Long	Novak	Simoneau

Stadum	Tomlinson	Waldorf	Wieser	Spkr. Norton
Stoa	Vanasek	Welch	Wynia	
Swanson	Voss	Wenzel		

Those who voted in the negative were:

Albrecht	Halberg	Laidig	Peterson, B.	Stowell
Anderson, D.	Haukoos	Levi	Piepho	Sviggum
Crandall	Heap	Ludeman	Pleasant	Thiede
Dempsey	Heinitz	McDonald	Redalen	Valan
Den Ouden	Hoberg	Niehaus	Rees	Valento
Erickson	Jennings	Norman	Reif	Weaver
Esau	Johnson, D.	Nysether	Rose	Welker
Ewald	Kaley	Olsen	Rothenberg	Wigley
Forsythe	Kvam	Onnen	Searle	Zubay

The bill was repassed, as amended by the Senate, and its title agreed to.

PRESENTATION

The members of the House presented an engraved watch to former Speaker Rod Searle in appreciation for his services as Speaker of the House in 1979. The Duluth delegation presented him with a hand carved walnut gavel and gavel block.

SPECIAL ORDERS

CALL OF THE HOUSE LIFTED

Vanasek moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

S. F. No. 1649 was reported to the House.

Welch moved to amend S. F. No. 1649, as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 32.25, Subdivision 1, is amended to read:

32.25 [MILK, CREAM, SKIM MILK, AND BUTTERMILK BOUGHT BY WEIGHT; BABCOCK AND ALTERNATIVE TESTS.] Subdivision 1. [MILK FAT, NONFAT SOLIDS, AND PROTEIN BASES OF PAYMENT; TESTS.] All milk and cream purchased from producers, and all milk, cream, skim milk, and buttermilk purchased by one dairy plant from another dairy plant for the purpose of resale as such, or for manufacture into dairy products, shall be purchased by weight and payment shall be made therefor upon the basis of milk fat *or milk fat and protein, or milk fat and nonfat milk solids* therein contained in the case of milk and cream, and on the basis of nonfat milk solids *or protein* contained therein in the case of skim milk and

buttermilk; provided, that in purchasing whole milk the purchase price of such milk shall be based upon the declared purchase price of 100 pounds of whole milk (1) calculated at three and one-half pounds of milk fat per hundredweight, or (2) calculated at three and one-half pounds of milk fat per hundredweight and the nonfat solids contained therein calculated at 8.5 pounds per hundredweight, or (3) calculated at three and one-half pounds of milk fat per hundredweight and the protein contained therein calculated at 3.2 pounds per hundredweight. (THE LATTER BASIS) Milk pricing based on nonfat solids or protein shall be used only after the commissioner has promulgated, as provided in this subdivision, rules and regulations for the testing of nonfat solids or protein respectively. When the milk fat test of such whole milk varies from 3.5 percent, a uniform adjustment in the declared purchase price shall be made for each one-tenth of one percent of milk fat above or below 3.5 percent. When the payment is calculated on the basis of milk fat and protein, and the protein test of such whole milk varies from 3.2 percent, a uniform adjustment in the declared purchase price shall be made for each one-tenth of one percent of protein above or below 3.2 percent. When the payment is calculated on the basis of milk fat and nonfat solids, and the nonfat solids test of such whole milk varies from 8.5 pounds per hundredweight, a uniform adjustment in the purchase price shall be made for each one-tenth of one pound of nonfat solids above or below 8.5 pounds per hundredweight. A dairy plant may buy milk on the basis of only one of the three formulas authorized by this section. When a dairy plant elects to buy milk on the basis of one of these formulas, no producers selling to such dairy plant may be excluded nor may the producer choose to be excluded from this method of purchase.

The percentage of milk fat, nonfat solids or protein in such milk and cream shall be determined as follows: (1) *Fat*: By the Babcock test (AND BY EMPLOYING A STANDARD OFFICIAL METHOD FOR OPERATING THIS TEST, WHICH METHOD SHALL BE THAT ADOPTED, PRESCRIBED, AND SET FORTH, WITH SPECIFICATIONS IN DETAIL, IN THE RULES AND REGULATIONS FROM TIME TO TIME MADE AND PUBLISHED BY THE COMMISSIONER IN THE MANNER PROVIDED BY LAW; OR (2) BY ALTERNATIVE TESTS WHICH NOT ONLY DETERMINE THE PERCENTAGE OF MILK FAT BUT ALSO DETERMINE THE AMOUNT OF NONFAT SOLIDS WHEN THE COMMISSIONER IS SATISFIED THAT THESE ALTERNATIVE TESTS ARE CONSISTENTLY AS ACCURATE AS THE BABCOCK TEST IN DETERMINING THE PERCENTAGE OF MILK FAT. THE AMOUNT OF NONFAT MILK SOLIDS IN SKIM MILK AND BUTTERMILK SHALL BE DETERMINED BY METHODS PROVIDED FOR HEREIN. THE TESTS SHALL BE PERFORMED IN THE MANNER AND WITH EQUIPMENT PRESCRIBED BY RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER IN THE MANNER PROVIDED BY LAW.) *as described in the latest edition*

of Standard Methods for the examination of dairy products or by other tests determined by rule by the commissioner to be of equal or greater accuracy, (2) Protein: By tests approved by the Association of Analytical Chemists and adopted by rule by the commissioner, and, (3) Nonfat Milk Solids: By tests approved by the Association of Analytical Chemists and adopted by rule by the commissioner."

The motion prevailed and the amendment was adopted.

Wieser moved to amend S. F. No. 1649, as follows:

Page 2, line 22, delete "above or below" and insert "below 2.9 percent, or above"

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

S. F. No. 1649, A bill for an act relating to agriculture; providing for testing to measure milk protein; providing for payments for milk protein and nonfat solids; amending Minnesota Statutes 1978, Section 32.25, Subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kahn	Nelsen, M.	Sieben, M.
Adams	Drew	Kaley	Nelson	Simoneau
Ainley	Eken	Kalis	Niehaus	Stadum
Albrecht	Elioff	Kelly	Norman	Stoa
Anderson, B.	Ellingson	Knickerbocker	Novak	Stowell
Anderson, D.	Erickson	Kostohryz	Nysether	Sviggum
Anderson, G.	Esau	Kroening	Olsen	Swanson
Anderson, I.	Evans	Kvam	Osthoff	Thiede
Anderson, R.	Ewald	Laidig	Otis	Tomlinson
Battaglia	Faricy	Lehto	Patton	Valan
Begich	Fjoslien	Levi	Pehler	Valento
Berglin	Friedrich	Long	Peterson, B.	Vanasek
Biersdorf	Fritz	Ludeman	Peterson, D.	Waldorf
Blatz	Fudro	Luknic	Piepho	Weaver
Brinkman	Halberg	Mann	Pleasant	Welch
Byrne	Haukoos	McCarron	Prahl	Welker
Carlson, D.	Heap	McDonald	Redalen	Wenzel
Carlson, L.	Heinitz	McEachern	Reding	Wigley
Casserly	Hoberg	Mehrkens	Rees	Wynia
Clark	Hokanson	Metzen	Rodriguez	Zubay
Clawson	Jacobs	Minne	Rothenberg	Spkr. Norton
Corbid	Jaros	Moe	Sarna	
Crandall	Johnson, C.	Munger	Searles	
Dean	Johnson, D.	Murphy	Sherwood	
Dempsey	Jude	Nelsen, B.	Sieben, H.	

Those who voted in the negative were:

Wieser

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

S. F. No. 1775 was reported to the House.

Simoneau moved to amend S. F. No. 1775 as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 79.071, is amended by adding a subdivision to read:

Subd. 6a. At the time of filing a petition for a change in the schedule of rates, the association shall estimate the total increase in manual premiums which would be collected as a result of the proposed change on all new and renewal policies with an effective date of 12 months or less following the date at which the association is requesting its petition to be implemented.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 79.071, is amended by adding a subdivision to read:

Subd. 6b. The association shall deposit into a special account in the office of the commissioner of insurance a sum of not less than one percent of the amount calculated pursuant to subdivision 6a. The money in the account shall be allocated as follows:

(a) 50 percent shall be for the use of the commissioner of insurance for payments authorized in subdivision 6.

(b) 25 percent shall be for the use of a representative of business selected pursuant to subdivision 6c.

(c) 25 percent shall be for use of a representative of labor selected pursuant to subdivision 6c.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 79.071, is amended by adding a subdivision to read:

Subd. 6c. Within five days following the receipt of a petition for a change in the schedule of rates, the commissioner shall convene a meeting of the commissioner and the chairpersons of the senate employment committee and the house of representatives labor management relations committee. They shall, by majority vote, select one representative of business and one representative of labor to formally intervene in the hearing held pursuant to the petition if the commissioner orders the hearing. The representative of business shall be selected on the basis of extent of membership, its representation of both large and small

employers, statewide representation of membership, representation of members in the aggregate with payrolls containing at least 50 percent of the job classifications contained in the workers' compensation and employers liability insurance manual, its demonstrated interest in Minnesota workers' compensation insurance legislation and rates and its willingness and ability to participate actively and effectively in the hearing process.

The representative of labor shall be selected on the basis of extent of membership, statewide representation of membership, demonstrated interest in workers' compensation legislation and insurance rates, the variety of trades represented by its membership, and its willingness and ability to participate actively and effectively in the hearing process. The intervenors shall have their costs of intervention in the hearing paid from the fund established pursuant to subdivision 6b.

Costs of intervenors shall include attorneys' fees, costs of the office of hearing examiner, expert witness fees, consultant fees, and reasonable costs and disbursements. The commissioner of insurance shall authorize payments from the fund when presented with statements of cost submitted to him by other intervenors in the form he may prescribe. All money not dispursed to intervenors, together with investment income earned thereon, shall be refunded to the association after the hearing, and all subsequent judicial actions, if any, have been completed.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 79.071, is amended by adding a subdivision to read:

Subd. 6d. If a petition for a change in the schedule of rates does not result in an increase in the manual premiums or if the increase is so small as to not cover the costs of the office of hearing examiner, the association shall deposit into the special fund established in subdivision 6b, an amount adequate to pay the costs of the hearing.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 79.071, is amended by adding a subdivision to read:

Subd. 6e. There is appropriated to the commissioner of insurance from the special account established in subdivision 6b, a sum sufficient to make the payments authorized in subdivision 6c.

Sec. 6. Minnesota Statutes, 1979 Supplement, Section 79.211, Subdivision 2, is amended to read:

Subd. 2. [DIVISION OF PAYROLL.] (THE RATING ASSOCIATION OR) An insurer shall permit an employer to divide his payroll among (RELEVANT) *the rating classifications most closely fitting the work actually performed for purposes of pre-*

mium calculation when the employer's records provide adequate support for a division.

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 79.34, is amended to read:

79.34 [CREATION OF REINSURANCE ASSOCIATION.]
Subdivision 1. (AN UNINCORPORATED.) A nonprofit association known as the workers' compensation reinsurance association is created, *which may be incorporated under chapter 317 with all the powers of a corporation formed under that chapter, except that if the provisions of that chapter are inconsistent with sections 79.34 to 79.42 or any amendments thereto, sections 79.34 to 79.42 shall govern.* Each insurer as defined by section 79.01, subdivision 2, shall as a condition of its authority to transact workers' compensation insurance in this state, be a member of the reinsurance association and shall be bound by the plan of operation of the reinsurance association. Each self-insurer approved pursuant to section 176.181 shall (ALSO), *as a condition of its authority to self-insure workers' compensation liability in this state,* be a member of the reinsurance association and shall be bound by its plan of operation. The reinsurance association shall not be deemed a state agency. Actions of the reinsurance association and its board of directors and actions of the commissioner of insurance with respect to the reinsurance association shall not be subject to chapter 15. *The reinsurance association shall be exempt from taxation under the laws of this state and all property owned by the association shall be exempt from taxation. The reinsurance association shall not be obligated to make any payments or pay any assessments to any funds or pools established pursuant to chapters 79 or 176 or any other law.*

Subd. 2. ((1)) The reinsurance association shall provide and each member shall accept indemnification for 100 percent of the amount of ultimate loss sustained in each loss occurrence *relating to one or more claims arising out of a single compensable event, including aggregate losses related to a single event or occurrence which constitutes a single loss occurrence,* under chapter 176 *on and after October 1, 1979,* in excess of \$300,000 or \$100,000 *retention limit,* at the option of the member (, PROVIDED THAT \$300,000 AND \$100,000). *In case of occupational disease causing disablement on and after October 1, 1979, each person suffering such disablement shall be considered to be involved in a separate loss occurrence. Each retention limit shall be increased (,) to the nearest \$10,000, on (OCTOBER 1, 1980) January 1, 1981 and on each (OCTOBER) January 1 thereafter by the percentage increase in the statewide average weekly wage (FOR THE PREVIOUS CALENDAR YEAR AS DETERMINED PURSUANT TO CLAUSE (2)), as determined in accordance with section 176.011, subdivision 20.* Ultimate loss as used in this section means the actual loss amount which a member is obligated to pay and which is paid

(OR PAYABLE) by the member for workers' compensation benefits payable under chapter 176 and shall not include claim expenses, assessments, damages or penalties. (AN ULTIMATE) A loss is incurred by the reinsurance association on the date on which the accident or other compensable event giving rise to the loss occurs, and a member is liable for a loss up to its retention limit in effect at the time that the loss was incurred, except that members which are determined by the reinsurance association to be controlled by or under common control with another member, and which are liable for claims from one or more employees entitled to compensation for a single compensable event, including aggregate losses relating to a single loss occurrence, may aggregate their losses and obtain indemnification from the reinsurance association for the aggregate losses in excess of the higher retention limit in effect at the time the loss was incurred. Each member is liable for payment of its ultimate loss and shall be entitled to indemnification from the reinsurance association for the ultimate loss in excess of the member's retention limit in effect at the time of the loss occurrence.

A member that chooses the higher retention limit shall retain the liability for all losses below the higher retention limit itself and shall not transfer the liability to any other entity or reinsurance or otherwise contract for reimbursement or indemnification for losses below its retention limit, except in the following cases: (a) when the reinsurance or contract is with another member which, directly or indirectly, through one or more intermediaries, control or are controlled by or are under common control with the member; (b) when the reinsurance or contract provides for reimbursement or indemnification of a member if and only if the total of all claims which the member pays or incurs, but which are not reimbursable or subject to indemnification by the reinsurance association for a given period of time, exceeds a dollar value or percentage of premium written or earned and stated in the reinsurance agreement or contract; (c) when the reinsurance or contract is a pooling arrangement with other insurers where liability of the member to pay claims pursuant to chapter 176 is incidental to participation in the pool and not as a result of providing workers' compensation insurance to employers on a direct basis under chapter 176; or (d) any other reinsurance or contract approved by the commissioner upon his determination that the reinsurance or contract is not inconsistent with the bases for exception provided under clauses (a), (b) and (c) above.

(2) FOR THE PURPOSES OF THIS SECTION STATE-WIDE AVERAGE WEEKLY WAGE MEANS THAT WAGE DETERMINED BY THE COMMISSIONER IN THE FOLLOWING MANNER: ON OR BEFORE THE JULY 1 PRECEDING THE OCTOBER 1 ON WHICH THE INCREASE IS TO BE APPLICABLE, THE TOTAL WAGES REPORTED TO THE DEPARTMENT OF ECONOMIC SECURITY FOR

THE PRECEDING 12 MONTHS ENDING ON DECEMBER 31 SHALL BE DIVIDED BY THE TOTAL EMPLOYMENT REPORTED TO THAT DEPARTMENT FOR THE SAME PERIOD TO ARRIVE AT AN AVERAGE ANNUAL WAGE, WHICH SHALL BE DIVIDED BY 52 TO DETERMINE THE STATEWIDE AVERAGE WEEKLY WAGE.)

Subd. 3. An insurer may withdraw from the reinsurance association only upon ceasing to (WRITE) *be authorized by license issued by the commissioner to transact workers' compensation insurance in this state and when all workers' compensation insurance policies issued by such insurer have expired; a self-insurer may withdraw from the reinsurance association only upon ceasing to be approved to self-insure workers' compensation liability in this state pursuant to section 176.181.*

An insurer or self-insurer which withdraws or whose membership in the reinsurance association is terminated shall continue to be bound by the plan of operation. Upon withdrawal or termination, all unpaid premiums which have been charged to the withdrawing or terminated member shall be payable as of the effective date of the withdrawal or termination.

Subd. 4. An unsatisfied net liability to the reinsurance association of an insolvent member shall be assumed by and apportioned among the remaining members of the reinsurance association as provided in the plan of operation. The reinsurance association shall have all rights allowed by law on behalf of the remaining members against the estate or funds of the insolvent member for sums due the reinsurance association.

Subd. 5. When a member has been merged or consolidated into another insurer or self insurer, or another insurer, which provides insurance required by chapter 176, has reinsured a member's entire business, the member and successors in interest of the member shall remain liable for the member's obligations.

Subd. 6. (NO INSURER OR SELF INSURER MAY ESTABLISH RESERVE IN A FINANCIAL STATEMENT FILED WITH THE COMMISSIONER OF INSURANCE IN EXCESS OF ITS MAXIMUM LIABILITY UNDER THIS SECTION FOR A SINGLE CLAIM OR OCCURRENCE.) *The commissioner shall require each member to identify the portion of all losses which exceed its retention limit selected under this section in any report filed with the workers' compensation insurers rating association of Minnesota or filed with the insurance division for use in reviewing the workers' compensation schedule of rates.*

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 79.35, is amended to read:

79.35 [DUTIES; RESPONSIBILITIES; POWERS.] The reinsurance association shall do the following on behalf of its members:

(a) Assume 100 percent of the liability as provided in section 79.34;

(b) Establish procedures by which members shall promptly report to the reinsurance association each claim which, on the basis of the injury sustained, may reasonably be anticipated to involve liability to the reinsurance association if the member is held liable under chapter 176. Solely for the purpose of reporting claims, the member shall in all instances consider itself legally liable for the injury. The member shall advise the reinsurance association of subsequent developments likely to materially affect the interest of the reinsurance association in the claim;

(c) Maintain relevant loss and expense data relative to all liabilities of the reinsurance association and require each member to furnish statistics in connection with liabilities of the reinsurance association at the times and in the form and detail as may be required by the plan of operation;

(d) Calculate and charge to members a total premium sufficient to cover the expected liability which the reinsurance association will incur in excess of the higher retention limit but less than \$500,000, together with *incurred or estimated to be incurred* operating (EXPENSES,) and administrative expenses and actual claim payments for claims in excess of \$500,000 for the period to which this premium is applicable. (THE PREMIUM SHALL INCLUDE AN AMOUNT TO COVER ANY EXCESS OR DEFICIENT PREMIUMS FROM PREVIOUS PERIODS.) Each member shall be charged a *proportion of the total premium* in an amount equal to (A PERCENTAGE, EQUAL TO THAT CHARGED OTHER MEMBERS, OF THAT MEMBER'S TOTAL GROSS WRITTEN PREMIUMS, LESS RETURNED PREMIUMS, WRITTEN) *its proportion of the total standard earned premium of all members during the period (PRECEDING THAT) to which the reinsurance association premium will apply, as determined by the commissioner. (AN EQUITABLE BASIS FOR PREMIUM CHARGES TO SELF INSURERS SHALL BE ESTABLISHED BY THE BOARD. MEMBERS)* Each member exercising the lower retention option shall also be charged a premium established by the board as sufficient to cover *incurred or estimated to be incurred* claims for the liability the reinsurance association is likely to incur *between the lower and higher retention limits* for the period to which the premium applies. *Each member's premium shall include an amount determined by the board to equitably distribute excess or deficient premiums from previous periods. An equitable basis for determining standard earned premium for self-insurers shall be established by the commissioner.* The (PREMIUM) premiums charged to members shall not be unfairly discriminatory as defined in section 79.074. (THE PREMIUM MAY REFLECT EX-

CESSIVE OR DEFICIENT PREMIUMS FROM PREVIOUS PERIODS) *All premiums shall be approved by the commissioner;*

(e) Require and accept the payment of premiums from members of the reinsurance association;

(f) Receive and distribute all sums required by the operation of the reinsurance association;

(g) Establish procedures for reviewing claims procedures and practices of members of the reinsurance association. If the claims procedures or practices of a member are considered inadequate to properly service the liabilities of the reinsurance association, the reinsurance association may undertake, or may contract with another person, including another member, to adjust or assist in the adjustment of claims which create a potential liability to the association and may charge the cost of the adjustment to the member; and

(h) Provide each member of the reinsurance association with an annual report of the operations of the reinsurance association in a form the board of directors may specify.

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 79.36, is amended to read:

79.36 [ADDITIONAL POWERS.] In addition to the powers granted in section 79.35, the reinsurance association may do the following:

(a) Sue and be sued. A judgment against the reinsurance association shall not create any direct liability against the individual members of the reinsurance association. The reinsurance association (MAY) *shall provide in the plan of operation for the indemnification, to the extent provided in the plan of operation, of the members, members of the board of directors of the reinsurance association, and officers, employees and other persons lawfully acting on behalf of the reinsurance association;*

(b) Reinsure all or any portion of its potential liability, *including potential liability in excess of \$500,000, with reinsurers licensed to transact insurance in this state or otherwise approved by the commissioner;*

(c) Provide for appropriate housing, equipment, and personnel as may be necessary to assure the efficient operation of the reinsurance association;

(d) Contract for goods and services, including *but not limited to* independent claims management, actuarial, investment, and legal services from others within or without this state to assure the efficient operation of the reinsurance association;

(e) Adopt *operating* rules, consistent with the plan of operation, for the administration of the reinsurance association, enforce those *operating* rules, and delegate authority as necessary to assure the proper administration and operation of the reinsurance association;

(f) Intervene *in or prosecute* at any time, (IN) *including but not limited to intervention or prosecution as subrogee to the member's rights in a third party action*, any proceeding under this chapter or chapter 176 in which liability of the reinsurance association may, in the opinion of the board of directors of the reinsurance association or its designee, be established, or the reinsurance association affected in any other way;

(g) *The net proceeds derived from intervention or prosecution of any subrogation interest, or other recovery, shall first be used to reimburse the reinsurance association for amounts paid or payable pursuant to this chapter, together with any expenses of recovery, including attorney's fees, and any excess shall be paid to the member or other person entitled thereto, as determined by the board of directors of the reinsurance association, unless otherwise ordered by a court.*

(h) Hear and determine complaints of a company or other interested party concerning the operation of the reinsurance association; and

((H)) (i) Perform other acts not specifically enumerated in this section which are necessary or proper to accomplish the purposes of the reinsurance association and which are not inconsistent with sections 79.34 to 79.42 or the plan of operation.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 79.37, is amended to read:

79.37 [BOARD OF DIRECTORS.] A board of directors of the reinsurance association is created and shall be responsible for the operation of the reinsurance association consistent with the plan of operation and sections 79.34 to 79.42. The board shall consist of nine directors and the commissioner of insurance who shall be an *ex officio* member. Four members of the board shall represent insurers, three members of the board shall represent employers, *at least one, but not more than two, of whom shall represent self-insurers*, and two members of the board shall represent employees. *Members shall elect the insurer directors, and the commissioner shall appoint the employer and employee directors, for the terms authorized in the plan of operation.* Each board member shall be entitled to one vote. Terms of the directors shall be staggered so that the terms of all the directors do not expire at the same time and so that a director does not serve a term of more than four years. The board shall select a chairman and other officers it deems appropriate.

A majority of the board shall constitute a quorum, notwithstanding any vacancies. Action may be taken by a majority vote of the directors present.

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 79.38, is amended to read:

79.38 [PLAN OF OPERATION.] *Subdivision 1.* The plan of operation shall provide for all of the following:

- (a) The establishment of necessary facilities;
- (b) The management and operation of the reinsurance association;
- (c) A preliminary premium, payable by each member in proportion to its total premium in the year preceding the inauguration of the reinsurance association, for initial expenses necessary to commence operation of the reinsurance association;
- (d) Procedures to be utilized in charging premiums including adjustments from excess or deficient premiums from prior periods;
- (e) Procedures governing the actual payment of premiums to the reinsurance association;
- (f) Reimbursement of each member of the board by the reinsurance association for actual and necessary expenses incurred on reinsurance association business;
- (g) The composition, terms, compensation and other necessary rules consistent with section 79.37 for boards of directors of the reinsurance association to succeed the initial board provided in section 79.41;
- (h) The investment policy of the reinsurance association; and
- (i) Any other matters required by or necessary to effectively implement sections 79.34 to 79.42.

Subd. 2. If the reinsurance association is incorporated pursuant to chapter 317, the plan of operation shall be filed with and accepted by the secretary of state as the corporation's articles of incorporation and bylaws. The plan of operation shall be valid as articles of incorporation and bylaws under chapter 317, notwithstanding that one or more of the required provisions for articles and bylaws under chapter 317 is not included or requirements of form are not followed.

Subd. 3. [AMENDMENTS.] (a) **[PROCEDURE WITH MEMBERS' RATIFICATION.]** *The plan of operation may be*

amended, in whole or in part, as follows: proposal of an amendment by a member of the board and adoption by a majority vote of the board at a meeting duly called for that purpose, ratification by a majority vote of the members at any annual meeting or special meeting duly called for that purpose, and approval of the commissioner, provided that an amendment shall be deemed approved 30 days after the day following the date of ratification by the members if not sooner disapproved by written order of the commissioner.

(b) [EMERGENCY BOARD POWER TO AMEND WITH DELAYED MEMBERS' RATIFICATION.] *The board shall have emergency powers to amend the plan at a meeting duly called for that purpose, without ratification by the members; provided that a meeting of members shall be scheduled to consider ratification of the amendment within 90 days.*

(c) [COMMISSIONER'S POWER TO AMEND.] *If the board proposes an amendment which the members decline to ratify, the commissioner is authorized, upon request of the board, to amend the plan as proposed by the board when he determines that failure to adopt the proposed amendment may seriously impair the ability of the reinsurance association to meet its financial obligations.*

(d) [DELEGATION OF AUTHORITY TO RATIFY.] *By a majority vote, the members, voting in person, or by proxy if authorized by the board, at a meeting duly called for that purpose, may authorize the board to exercise the power of amendment of the plan without ratification by the members. When the members have authorized the board to amend the plan without ratification by the members, the board may, by a majority vote of the directors, amend the plan, provided that notice of the meeting and of the proposed amendment shall be given to each director and officer, including the commissioner. By a majority vote, the members, voting in person, or by proxy if authorized by the board, at a meeting duly called for that purpose, may prospectively revoke the authority of the board to amend the plan without ratification by the members.*

Sec. 12. [REPEALER.] *Minnesota Statutes, 1979 Supplement, Sections 79.41 and 79.42 are repealed.*

Sec. 13. [EFFECTIVE DATE.] *Sections 1 to 12 are effective the day following final enactment."*

Further amend by striking the title and inserting:

"A bill for an act relating to workers' compensation; creating a fund to meet the expenses of certain intervenors in workers' compensation rate hearings; revising the procedure for division of payroll; defining family farm; permitting the workers' compensation reinsurance association to incorporate; exempting the reinsurance association from taxation; providing for amendment to the reinsurance association plan of operation; making

changes in rules, requirements and procedures affecting members of the reinsurance association; amending Minnesota Statutes, 1979 Supplement, Sections 79.071, by adding subdivisions; 79.211, Subdivision 2; 79.34; 79.35; 79.36; 79.37; and 79.38; repealing Minnesota Statutes, 1979 Supplement, Sections 79.41 and 79.42."

The motion prevailed and the amendment was adopted.

Mehrkens moved to amend S. F. No. 1775, as amended, as follows:

Page 15, before line 32, insert a section to read:

"Section 12. Minnesota Statutes 1978, Section 176.011, Subdivision 11a, is amended to read:

Subd. 11a. [FAMILY FARM.] "Family farm" means any farm operation which pays or is obligated to pay less than (\$4,000) \$6,000 in cash wages, exclusive of machine hire, to farm laborers for services rendered during the preceding calendar year. For purposes of this subdivision, farm laborer does not include any spouse, parent or child, regardless of age, or a farmer employed by the farmer, or any executive officer or a family farm corporation as defined in section 500.24, subdivision 1, or any spouse, parent or child, regardless of age, of such an officer employed by that family farm corporation, or other farmers in the same community or members of their families exchanging work with the employer. Notwithstanding any law to the contrary, a farm laborer shall not be considered as an independent contractor for the purposes of this chapter."

Renumber the subsequent sections

Page 16, line 1, delete "12" and insert "13"

Further amend the title as follows:

Page 16, line 9 of the Simoneau amendment, after "amending" insert "Minnesota Statutes 1978, Section 176.011, Subdivision 11a; and"

The motion prevailed and the amendment was adopted.

Stadum moved to amend S. F. No. 1775, as amended, as follows:

Page 16, line 2, after the period, insert:

"Sections 1 to 5 shall expire June 30, 1982. Expiration of these sections shall not apply to any rate hearing on or before that date."

The motion prevailed and the amendment was adopted.

S. F. No. 1775, A bill for an act relating to workers' compensation; permitting the workers' compensation reinsurance association to incorporate; exempting the reinsurance association from taxation; providing for amendment to the reinsurance association plan of operation; making changes in rules, requirements and procedures affecting members of the reinsurance association; amending Minnesota Statutes, 1979 Supplement, Sections 79.34; 79.35; 79.36; 79.37; and 79.38; repealing Minnesota Statutes, 1979 Supplement, Sections 79.41 and 79.42.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 78 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Ellingson	Laidig	Otis	Simoneau
Anderson, R.	Evans	Lehto	Patton	Stadum
Battaglia	Faricy	Long	Pehler	Stoa
Begich	Fritz	Luknic	Peterson, D.	Swanson
Berglin	Fudro	Mann	Piepho	Tomlinson
Berkelman	Greenfield	McEachern	Prahl	Valan
Biersdorf	Hokanson	Mehrkens	Redalen	Vanasek
Byrne	Jacobs	Metzen	Reding	Voss
Carlson, D.	Jaros	Minne	Rice	Waldorf
Carlson, L.	Johnson, C.	Moe	Rodriguez	Welch
Casserly	Jude	Munger	Rose	Wenzel
Clark	Kahn	Murphy	Sarna	Wieser
Corbid	Kelly	Nelson	Schreiber	Wynia
Dempsey	Kostohryz	Norman	Searles	Spkr. Norton
Drew	Kroening	Novak	Siehn, H.	
Elioff	Kvam	Osthoff	Sieben, M.	

Those who voted in the negative were:

Aasness	Den Ouden	Heinitz	Nelsen, B.	Thiede
Ainley	Erickson	Hoberg	Niehaus	Valento
Albrecht	Esau	Johnson, D.	Nysether	Weaver
Anderson, B.	Fjoslien	Kaley	Peterson, B.	Welker
Anderson, D.	Forsythe	Kalis	Rees	Wigley
Blatz	Friedrich	Levi	Rothenberg	Zubay
Brinkman	Haukoos	Ludeman	Sherwood	
Clawson	Heap	McDonald	Sviggunn	

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

S. F. No. 133 was reported to the House.

Casserly moved to amend S. F. No. 133, as amended by the House Committee on Judiciary, as follows:

Delete the title and insert:

“A bill for an act regulating certain joint economic activities; enacting the 1976 uniform limited partnership act and the uniform condominium act.”

The motion prevailed and the amendment was adopted.

S. F. No. 133, A bill for an act relating to partnerships; enacting the 1976 uniform limited partnership act.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kahn	Nelsen, B.	Rothenberg
Adams	Ellingson	Kaley	Nelsen, M.	Sarna
Anderson, B.	Erickson	Kalis	Nelson	Schreiber
Anderson, D.	Esau	Kelly	Niehaus	Searles
Anderson, G.	Evans	Knickerbocker	Norman	Sherwood
Anderson, I.	Ewald	Kostohryz	Novak	Sieben, H.
Battaglia	Faricy	Kroening	Nysether	Sieben, M.
Begich	Fjoslien	Kvam	Olsen	Simoneau
Berglin	Friedrich	Laidig	Osthoff	Stadum
Biersdorf	Fritz	Lehto	Otis	Stowell
Blatz	Fudro	Levi	Patton	Swanson
Brinkman	Greenfield	Long	Pehler	Tomlinson
Byrne	Halberg	Luknic	Peterson, B.	Valan
Carlson, D.	Haukoos	Mann	Peterson, D.	Valento
Carlson, L.	Heap	McCarron	Piepho	Waldorf
Casserly	Heinitz	McDonald	Pleasant	Weaver
Clark	Hoberg	McEachern	Prahl	Welch
Clawson	Hokanson	Mehrrens	Redalen	Wenzel
Corbid	Jacobs	Metzen	Reding	Wieser
Dean	Jaros	Minne	Rees	Wigley
Dempsey	Johnson, C.	Moe	Rice	Wynia
Drew	Johnson, D.	Munger	Rodriguez	Zubay
Eken	Jude	Murphy	Rose	Spkr. Norton

Those who voted in the negative were:

Ainley	Anderson, R.	Ludeman	Thiede	Welker
Albrecht	Den Ouden	Sviggum		

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

Pehler was excused while in conference committee.

S. F. No. 407 was reported to the House.

There being no objection, S. F. No. 407 was continued on Special Orders for one day.

S. F. No. 682 was reported to the House.

Battaglia and Munger moved to amend S. F. No. 682, the unofficial engrossment, as follows:

Page 1, after line 18, insert a new section to read:

"Sec. 2. Minnesota Statutes 1978, Section 100.29, Subdivision 3, is amended to read:

Subd. 3. It shall be unlawful to have in possession out of doors, except upon target ranges operated under a permit from the commissioner, unless unloaded and contained in a gun case, or unloaded and broken down:

(1) Any rifle or *handgun*, except a 22 caliber rim-fire rifle or *handgun* carried for the sole purpose of taking small game when lawful and using 22 caliber short, long, or long rifle bullets, or any shotgun with slugs, in any territory wherein there is an open season for taking deer with firearms, for a period of ten days preceding and five days succeeding such season;

(2) Any rifle, except those described in this clause, in a territory open for the taking of deer with shotguns and slugs but not with rifles, during such season; (a) smooth-bore muzzle loading muskets of not less than 45 caliber and rifle muzzle loading muskets of not less than 40 caliber that are incapable of being loaded at the breech, may be possessed and used for the hunting of deer during such open season and (b) 22 caliber rim-fire rifles or *handguns* carried for the sole purpose of taking small game when lawful and using 22 caliber short, long, or long rifle bullets, may be possessed and used during such open deer season;

(3) Any slugs for use in a shotgun in any territory open for the taking of deer with firearms during the open season, except for slugs carried for the sole purpose of taking deer or bear."

Renumber subsequent section

Further, amend the title as follows:

Page 1, line 4, after "2" insert ", 3"

The motion prevailed and the amendment was adopted.

Waldorf moved to amend S. F. No. 682, the unofficial engrossment:

Nelsen, B., requested a division of the amendment.

The first portion of the Waldorf amendment reads as follows:

Page 1, line 8, insert a new section to read:

"Sec. 2. Minnesota Statutes 1978, Section 97.81 is amended by adding a subdivision to read:

Subd. 3. It is unlawful for any person to hunt wild animals with a handgun unless the certificate pursuant to subdivision 1 is carried on the person. Any conservation officer is authorized and directed to seize and confiscate a handgun used by a person in violation of this subdivision."

A roll call was requested and properly seconded.

The question was taken on the first portion of the Waldorf amendment and the roll was called. There were 9 yeas and 101 nays as follows:

Those who voted in the affirmative were:

Berglin	Lehto	Osthoff	Peterson, D.	Waldorf
Byrne	Long	Otis	Sarna	

Those who voted in the negative were:

Aasness	Eken	Kaley	Niehaus	Sieben, M.
Adams	Elioff	Kalis	Norman	Stadum
Ainley	Ellingson	Knickerbocker	Nysether	Stowell
Albrecht	Erickson	Kostohryz	Olsen	Sviggum
Anderson, B.	Esau	Kroening	Onnen	Swanson
Anderson, G.	Evans	Kvam	Patton	Thiede
Anderson, I.	Ewald	Laidig	Peterson, B.	Tomlinson
Anderson, R.	Fjoslien	Levi	Piepho'	Valan
Battaglia	Friedrich	Ludeman	Pleasant	Valento
Begich	Fritz	Luknic	Prahl	Voss
Berkelman	Fudro	Mann	Redalen	Weaver
Biersdorf	Greenfield	McDonald	Reding	Welch
Blatz	Halberg	McEachern	Rees	Welker
Brinkman	Haukoos	Mehrkens	Reif	Wenzel
Carlson, D.	Heap	Metzen	Rice	Wieser
Carlson, L.	Hoberg	Minne	Rodriguez	Wigley
Clawson	Hokanson	Moe	Rose	Zubay
Dean	Jacobs	Munger	Rothenberg	
Dempsey	Johnson, C.	Murphy	Searle	
Den Ouden	Johnson, D.	Nelsen, B.	Searles	
Drew	Jude	Nelsen, M.	Sherwood	

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

The second portion of the Waldorf amendment reads as follows:

Page 1, line 8, insert new sections to read:

"Section 1. Minnesota Statutes 1978, Section 97.81, Subdivision 1, is amended to read:

97.81 [SAFE USE OF FIREARMS, INSTRUCTIONS IN USING.] Subdivision 1. The commissioner of natural resources is authorized and directed to publish rules and regula-

tions establishing a state-wide program of instruction in the safe use of firearms, *including handguns.*

Such regulations shall provide for courses of instruction in every municipality or school district in this state by the commissioner of natural resources in cooperation with organizations, groups, associations and any private or public corporation or political subdivision of the state, the United States, or any federal agency. The courses shall instruct the youth of the state in the commonly accepted principles of safety in hunting and in the handling of all types of common hunting firearms. *The courses shall provide for a test that reasonably insures the safe and accurate usage of handguns by a person intending to hunt wild animals. A certificate of completion shall be issued by the commissioner to any person successfully passing the handgun test.*"

Renumber remaining sections accordingly

Further, amend the title as follows:

Page 1, line 4, delete "Section" and insert "Sections 97.81, Subdivision 1;"

A roll call was requested and properly seconded.

The question was taken on the second portion of the Waldorf amendment and the roll was called. There were 27 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Berglin	Hokanson	Lehto	Peterson, D.	Voss
Byrne	Jaros	Long	Pleasant	Waldorf
Clark	Jude	Norman	Rice	Wynia
Corbid	Kahn	Olsen	Sarna	
Ellingson	Kostohryz	Osthoff	Sieben, M.	
Greenfield	Kroening	Otis	Tomlinson	

Those who voted in the negative were:

Aasness	Carlson, L.	Fudro	Luknic	Piepho
Adams	Clawson	Halberg	Mann	Prahl
Ainley	Dean	Haukoos	McDonald	Redalen
Albrecht	Dempsey	Heap	McEachern	Reding
Anderson, B.	Den Ouden	Hoberg	Mehrkens	Rees
Anderson, G.	Drew	Jacobs	Metzen	Rodriguez
Anderson, I.	Eken	Johnson, C.	Minne	Rose
Anderson, R.	Elioff	Johnson, D.	Munger	Rothenberg
Battaglia	Erickson	Kaley	Murphy	Searle
Begich	Esau	Kalis	Nelsen, B.	Searles
Berkelman	Evans	Knickerbocker	Nelsen, M.	Sherwood
Biersdorf	Ewald	Kvam	Niehaus	Stadum
Blatz	Fjoslien	Laidig	Nysether	Stowell
Brinkman	Friedrich	Levi	Onnen	Sviggum
Carlson, D.	Fritz	Ludeman	Peterson, B.	Swanson

Thiede
ValanValento
WeaverWelch
WelkerWenzel
WieserWigley
Zubay

The motion did not prevail and the second portion of the amendment was not adopted.

S. F. No. 682, A bill for an act relating to game and fish; authorizing the use of handguns in taking small game; amending Minnesota Statutes 1978, Section 100.29, Subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 105 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Kaley	Nelsen, M.	Searles
Adams	Den Ouden.	Kalis	Nelson	Sherwood
Ainley	Drew	Kelly	Niehaus	Sieben, M.
Albrecht	Eken	Knickerbocker	Norman	Simoneau
Anderson, B.	Elioff	Kostohryz	Nysether	Stadum
Anderson, G.	Erickson	Kroening	Olsen	Stowell
Anderson, I.	Esau	Kvam	Onnen	Sviggum
Anderson, R.	Evans	Laidig	Peterson, B.	Swanson
Battaglia	Ewald	Levi	Peterson, D.	Thiede
Begich	Fjoslien	Ludeman	Piepho	Valan
Berkelman	Friedrich	Luknic	Pleasant	Valento
Biersdorf	Fritz	Mann	Prahl	Vanasek
Blatz	Fudro	McDonald	Redalen	Voss
Brinkman	Halberg	McEachern	Reding	Weaver
Carlson, D.	Haukoos	Mehrkens	Rees	Welch
Carlson, L.	Heap	Metzen	Reif	Welker
Casserly	Hoberg	Minne	Rice	Wenzel
Clark	Jacobs	Moe	Rodriguez	Wieser
Clawson	Johnson, C.	Munger	Rose	Wigley
Corbid	Johnson, D.	Murphy	Rothenberg	Zubay
Dean	Jude	Nelsen, B.	Sarna	Spkr. Norton

Those who voted in the negative were:

Berglin	Greenfield	Long	Sieben, H.	Waldorf
Byrne	Jaros	Osthoff	Tomlinson	Wynia
Ellingson	Kahn	Otis		
Faricy	Lehto	Patton		

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

S. F. No. 797 was reported to the House.

Weaver offered an amendment to S. F. No. 797.

POINT OF ORDER

Long raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 797, A bill for an act relating to game and fish; authorizing, licensing and regulating nonresidents' fish houses; amending Minnesota Statutes 1978, Section 98.46, Subdivision 15.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 92 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kaley	Onnen	Stadum
Ainley	Drew	Kalis	Otis	Stowell
Albrecht	Eken	Kelly	Peterson, B.	Sviggum
Anderson, B.	Elioff	Knickerbocker	Peterson, D.	Thiede
Anderson, D.	Erickson	Kostohryz	Pleasant	Tomlinson
Anderson, G.	Esau	Laidig	Prahl	Valan
Anderson, I.	Evans	Ludeman	Redalen	Valento
Anderson, R.	Ewald	Luknic	Reding	Voss
Battaglia	Fjoslien	McCarron	Rees	Weaver
Begich	Friedrich	McDonald	Reif	Welker
Berkelman	Fritz	Mehrkens	Rice	Wenzel
Biersdorf	Halberg	Metzen	Rodriguez	Wieser
Blatz	Haukoos	Minne	Rothenberg	Wigley
Carlson, D.	Heap	Munger	Searle	Wynia
Casserly	Hoberg	Murphy	Searles	Zubay
Clawson	Jacobs	Nelsen, B.	Sherwood	Spkr. Norton
Corbid	Johnson, C.	Niehaus	Sieben, H.	
Dean	Johnson, D.	Nysether	Sieben, M.	
Dempsey	Jude	Olsen	Simoneau	

Those who voted in the negative were:

Adams	Faricy	Kroening	Nelsen, M.	Waldorf
Berglin	Fudro	Lehto	Nelson	Welch
Brinkman	Greenfield	Long	Osthoff	
Byrne	Hokanson	Mann	Patton	
Carlson, L.	Jaros	McEachern	Sarna	
Clark	Kahn	Moe	Swanson	

The bill was passed and its title agreed to.

S. F. No. 971, A bill for an act relating to creditor's remedies; defining property exempt from legal process; amending Minnesota Statutes 1978, Section 550.37, Subdivisions 4 and 19, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 110 yeas and 2 nays as follows:

Those who voted in the affirmative were :

Aasness	Drew	Kahn	Murphy	Rothenberg
Adams	Eken	Kaley	Nelsen, B.	Sarna
Albrecht	Elioff	Kalis	Nelsen, M.	Searle
Anderson, B.	Ellingson	Kelly	Nelson	Sieben, H.
Anderson, D.	Erickson	Knickerbocker	Niehaus	Sieben, M.
Anderson, G.	Faricy	Kostohryz	Norman	Simoneau
Anderson, I.	Fjoslien	Kroening	Novak	Stadum
Battaglia	Friedrich	Kvam	Nysether	Stowell
Begich	Fritz	Laidig	Olsen	Sviggum
Berglin	Fudro	Lehto	Onnen	Swanson
Berkelman	Greenfield	Long	Osthoff	Tomlinson
Biersdorf	Halberg	Ludeman	Otis	Valento
Blatz	Haukoos	Luknic	Patton	Voss
Brinkman	Heap	Mann	Peterson, B.	Weaver
Carlson, D.	Heinitz	McCarron	Peterson, D.	Welch
Carlson, L.	Hoberg	McDonald	Piepho	Welker
Casserly	Hokanson	McEachern	Prahl	Wenzel
Clark	Jacobs	Mehrkens	Redalen	Wieser
Clawson	Jaros	Metzen	Reding	Wigley
Corbid	Johnson, C.	Minne	Rees	Wynia
Dempsey	Johnson, D.	Moe	Reif	Zubay
Den Ouden	Jude	Munger	Rose	Spkr. Norton

Those who voted in the negative were :

Anderson, R. Evans

The bill was passed and its title agreed to.

S. F. No. 1295, A bill for an act relating to contracts; making certain contracts unenforceable unless in writing.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 5 nays as follows :

Those who voted in the affirmative were :

Aasness	Casserly	Haukoos	Long	Nysether
Adams	Clark	Heap	Ludeman	Olsen
Ainley	Clawson	Heinitz	Luknic	Osthoff
Albrecht	Dean	Hoberg	Mann	Otis
Anderson, B.	Dempsey	Hokanson	McCarron	Patton
Anderson, D.	Den Ouden	Jacobs	McDonald	Peterson, B.
Anderson, G.	Drew	Jaros	McEachern	Peterson, D.
Anderson, I.	Eken	Johnson, C.	Mehrkens	Piepho
Anderson, R.	Elioff	Jude	Metzen	Redalen
Battaglia	Ellingson	Kahn	Minne	Reding
Begich	Esau	Kaley	Moe	Rees
Berglin	Evans	Kalis	Munger	Reif
Berkelman	Ewald	Kelly	Murphy	Rice
Biersdorf	Faricy	Knickerbocker	Nelsen, B.	Rodriguez
Blatz	Fjoslien	Kostohryz	Nelsen, M.	Rose
Brinkman	Friedrich	Kroening	Nelson	Rothenberg
Byrne	Fritz	Kvam	Niehaus	Sarna
Carlson, D.	Fudro	Laidig	Norman	Sherwood
Carlson, L.	Greenfield	Levi	Novak	Sieben, H.

Sieben, M.	Stowell	Vanasek	Welch	Wigley
Simoneau	Swanson	Voss	Welker	Wynia
Stadum	Tomlinson	Waldorf	Wenzel	Zubay
Stoa	Valento	Weaver	Wieser	Spkr. Norton

Those who voted in the negative were:

Erickson	Halberg	Lehto	Onnen	Prahl
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The bill was passed and its title agreed to.

S. F. No 1726 was reported to the House.

Long moved to amend S. F. No. 1726, the unofficial engrossment, as follows:

Page 3, delete lines 1 through 14 and insert a new section as follows:

"Sec. 3. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*"

Further, amend the title as follows:

Page 1, line 8, after "subdivision" delete ";" and insert a period; delete the balance of the line

Page 1, line 9, delete "subdivision"

The motion prevailed and the amendment was adopted.

S. F. No. 1726, A bill for an act relating to children; providing for review of foster care of certain developmentally disabled children; amending Minnesota Statutes 1978, Section 257.071, Subdivision 3, and by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Biersdorf	Drew	Fudro	Kaley
Adams	Blatz	Eken	Greenfield	Kalis
Ainley	Brinkman	Elioff	Haukoos	Kelly
Albrecht	Byrne	Ellingson	Heap	Knickerbocker
Anderson, B.	Carlson, D.	Erickson	Heinitz	Kostohryz
Anderson, D.	Carlson, L.	Esau	Hoberg	Kroening
Anderson, G.	Casserly	Evans	Hokanson	Kvam
Anderson, I.	Clark	Ewald	Jacobs	Laidig
Anderson, R.	Clawson	Faricy	Jaros	Lehto
Battaglia	Corbid	Fjoslien	Johnson, C.	Levi
Begich	Dean	Forsythe	Johnson, D.	Long
Berglin	Dempsey	Friedrich	Jude	Ludeman
Berkelman	Den Ouden	Fritz	Kahn	Luknic

Mann	Nelson	Piepho	Sherwood	Voss
McCarron	Niehaus	Prahl	Sieben, H.	Waldorf
McDonald	Norman	Redalen	Sieben, M.	Weaver
McEachern	Novak	Reding	Simoneau	Welch
Mehrkens	Nysether	Rees	Stadum	Welker
Metzen	Olsen	Reif	Stoa	Wenzel
Minne	Onnen	Rice	Stowell	Wieser
Moe	Osthoff	Rodriguez	Sviggum	Wigley
Munger	Otis	Rose	Swanson	Wynia
Murphy	Patton	Rothenberg	Tomlinson	Zubay
Nelsen, B.	Peterson, B.	Sarna	Valento	Spkr. Norton
Nelsen, M.	Peterson, D.	Searles	Vanasek	

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

S. F. No. 1132 was reported to the House.

Mehrkens moved to amend S. F. No. 1132, as follows:

Page 8, after line 2, insert:

"Sec. 3. Minnesota Statutes 1978, Section 53.04, is amended by adding a subdivision to read:

Subd. 7. (a) The interest on loans made by an industrial loan and thrift company pursuant to subdivision 3 may be at a rate not in excess of nine percent discount per annum for loans which provide for a repayment period not exceeding 36 months; 8-3/8 percent discount per annum for loans which provide for a repayment period exceeding 36 months but not exceeding 48 months; and 7-3/4 percent discount per annum for loans which provide for a repayment period exceeding 48 months but not exceeding 60 months.

(b) This subdivision supersedes the provisions of subdivision 3 regarding the lawful rate of interest for loans made by industrial loan and thrift companies, but not any other provision of subdivision 3, from the effective date of this subdivision until June 30, 1982. A loan made by an industrial loan and thrift company that provides for a rate of interest authorized by this subdivision continues to be enforceable in accordance with its terms until the indebtedness is fully satisfied."

Renumber the sections accordingly

Further amend the title:

Page 1, line 2, after the semicolon insert "altering permissible interest charges by industrial loan and thrift companies;"

Page 1, line 7, after the semicolon insert "53.04, by adding a subdivision;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 74 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Knickerbocker	Olsen	Searles
Adams	Esau	Kvam	Onnen	Sherwood
Ainley	Evans	Levi	Osthoff	Stadum
Albrecht	Ewald	Ludeman	Patton	Stowell
Anderson, R.	Forsythe	Luknic	Peterson, B.	Sviggum
Berkelman	Friedrich	Mann	Piepho	Thiede
Biersdorf	Halberg	McDonald	Pleasant	Valan
Blatz	Haukoos	Mehrkens	Redalen	Valento
Brinkman	Heap	Metzen	Reding	Weaver
Carlson, D.	Heintz	Munger	Rees	Welker
Crandall	Hoberg	Nelsen, B.	Reif	Wenzel
Dean	Jacobs	Niehaus	Rose	Wieser
Dempsey	Jennings	Norman	Rothenberg	Wigley
Den Ouden	Kaley	Novak	Sarna	Zubay
Drew	Kalis	Nysether	Searle	

Those who voted in the negative were:

Anderson, B.	Clawson	Jaros	Moe	Simoneau
Anderson, D.	Corbid	Jude	Murphy	Stoa
Anderson, G.	Eken	Kahn	Nelsen, M.	Tomlinson
Anderson, I.	Elioff	Kelly	Nelson	Voss
Battaglia	Ellingson	Kostohryz	Otis	Waldorf
Begich	Faricy	Kroening	Peterson, D.	Welch
Berglin	Fjoslien	Lehto	Prahl	Wynia
Byrne	Fritz	Long	Rice	
Carlson, L.	Fudro	McCarron	Rodriguez	
Casserly	Greenfield	McEachern	Sieben, H.	
Clark	Hokanson	Minne	Sieben, M.	

The motion prevailed and the amendment was adopted.

S. F. No. 1132, A bill for an act relating to financial institutions; authorizing securities for investment of deposits of savings banks and other financial institutions and for deposit to secure deposits of public funds; amending Minnesota Statutes 1978, Sections 50.14, Subdivision 4; and 118.01.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 80 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Aasness	Berkelman	Dempsey	Forsythe	Hoberg
Adams	Biersdorf	Den Ouden	Friedrich	Jacobs
Ainley	Blatz	Drew	Fudro	Jennings
Albrecht	Brinkman	Erickson	Halberg	Johnson, D.
Anderson, B.	Carlson, D.	Esau	Haukoos	Kaley
Anderson, D.	Crandall	Evans	Heap	Kalis
Anderson, R.	Dean	Ewald	Heintz	Knickerbocker

Kostohryz	Mehrkens	Otis	Rose	Thiede
Kvam	Munger	Patton	Rothenberg	Valan
Laidig	Nelsen, B.	Peterson, B.	Searle	Valento
Levi	Niehaus	Piepho	Searles	Weaver
Ludeman	Norman	Pleasant	Sherwood	Welker
Luknic	Nysether	Redalen	Simoneau	Wenzel
Mann	Olsen	Reding	Stadum	Wieser
McCarron	Onnen	Rees	Stowell	Wigley
McDonald	Osthoff	Reif	Sviggum	Zubay

Those who voted in the negative were:

Anderson, G.	Corbid	Johnson, C.	Moe	Sieben, M.
Anderson, I.	Eken	Jude	Murphy	Stoa
Battaglia	Elioff	Kahn	Nelsen, M.	Tomlinson
Begich	Ellingson	Kelly	Nelson	Voss
Berglin	Faricy	Kroening	Novak	Waldorf
Byrne	Fjoslien	Lehto	Peterson, D.	Welch
Carlson, L.	Fritz	Long	Prahl	Wynia
Casserly	Greenfield	McEachern	Rice	
Clark	Hokanson	Metzen	Rodriguez	
Clawson	Jaros	Minne	Sieben, H.	

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

S. F. No. 1144 was reported to the House.

Corbid moved to amend S. F. No. 1144, the unofficial engrossment, as follows:

Page 6, line 2, delete "any" and insert "a substantial"

The motion prevailed and the amendment was adopted.

Voss moved to amend S. F. No. 1144, the unofficial engrossment, as follows:

Page 5, after line 20 add a section to read:

"Sec. 5. Minnesota Statutes 1978, Section 106.471 is amended to add a subdivision as follows:

Subd. 9. Where a repair of a ditch system for which construction has not commenced prior to the effective date of this act will result in the drainage of 50 or more acres of public waters in the metropolitan area the requirements of Minnesota Statutes 106.501 for improvements of ditch systems shall apply."

Renumber the following sections accordingly

Further amend the title:

Page 1, line 7, after "and 6" insert "and by adding a subdivision"

A roll call was requested and properly seconded.

Weaver moved to amend the Voss amendment, as follows:

Delete "*a repair*" and insert "*the extension*"

A roll call was requested and properly seconded.

The question was taken on the Weaver amendment to the Voss amendment and the roll was called. There were 49 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Johnson, D.	Norman	Stadum
Ainley	Friedrich	Kaley	Nysether	Sviggum
Albrecht	Fritz	Knickerbocker	Olsen	Thiede
Biersdorf	Fudro	Kvam	Onnen	Valan
Carlson, D.	Halberg	Levi	Redalen	Valento
Clawson	Haukoos	Ludeman	Reif	Weaver
Crandall	Heap	McDonald	Rose	Welker
Drew	Heinitz	Mehrkens	Rothenberg	Wieser
Erickson	Hoberg	Nelsen, B.	Searles	Zubay
Evans	Jennings	Niehaus	Sherwood	

Those who voted in the negative were:

Adams	Corbid	Kahn	Murphy	Sarna
Anderson, B.	Dean	Kalis	Nelsen, M.	Searle
Anderson, D.	Den Ouden	Kelly	Nelson	Sieben, H.
Anderson, G.	Eken	Kostohryz	Novak	Sieben, M.
Anderson, I.	Elihoff	Kroening	Osthoff	Simoneau
Anderson, R.	Ellingson	Laidig	Otis	Stoa
Battaglia	Esau	Lehto	Patton	Swanson
Begich	Faricy	Long	Peterson, B.	Tomlinson
Berglin	Fjoslien	Luknic	Peterson, D.	Vanasek
Berkelman	Greenfield	Mann	Piepho	Voss
Brinkman	Hokanson	McCarron	Prahl	Waldorf
Byrne	Jacobs	McEachern	Reding	Wenzel
Carlson, L.	Jaros	Minne	Rees	Wigley
Casserly	Johnson, C.	Moe	Rice	Wynia
Clark	Jude	Munger	Rodriguez	

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

McDonald moved to amend the Voss amendment, as follows:

After "*apply*" insert "*except for the counties of Carver and Scott*"

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

The question recurred on the Voss amendment, as amended, and the roll was called. There were 58 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Adams	Clark	Jude	Moe	Sieben, H.
Anderson, D.	Corbid	Kahn	Munger	Sieben, M.
Anderson, G.	Dean	Kalis	Murphy	Stoa
Anderson, I.	Eken	Kelly	Nelsen, M.	Swanson
Battaglia	Elioff	Kroening	Nelson	Tomlinson
Begich	Ellingson	Lehto	Novak	Vanasek
Berglin	Faricy	Long	Osthoff	Voss
Berkelman	Greenfield	Mann	Peterson, B.	Waldorf
Brinkman	Hokanson	McCarron	Peterson, D.	Wynia
Byrne	Jacobs	McEachern	Reding	Spkr. Norton
Carlson, L.	Jaros	Metzen	Rodriguez	
Casserly	Johnson, C.	Minne	Sarna	

Those who voted in the negative were:

Aasness	Esau	Kaley	Olsen	Stadum
Ainley	Evans	Kempe	Onnen	Stowell
Albrecht	Fjoslien	Knickerbocker	Patton	Sviggum
Anderson, B.	Forsythe	Kvam	Pehler	Thiede
Anderson, R.	Friedrich	Laidig	Piepho	Valan
Biersdorf	Fritz	Levi	Pleasant	Valento
Blatz	Fudro	Ludeman	Redalen	Weaver
Carlson, D.	Halberg	Luknic	Rees	Welch
Clawson	Haukoos	McDonald	Reif	Welker
Crandall	Heap	Mehrrens	Rice	Wenzel
Dempsey	Heinitz	Nelsen, B.	Rose	Wieser
Den Ouden	Hoberg	Niehaus	Rothenberg	Wigley
Drew	Jennings	Norman	Searles	Zubay
Erickson	Johnson, D.	Nysether	Sherwood	

The motion did not prevail and the amendment, as amended, was not adopted.

Levi was excused while in conference committee.

S. F. No. 1144, A bill for an act relating to public drainage systems; increasing repair authority; providing for abandonment of systems; increasing repair funds; amending Minnesota Statutes 1978, Sections 106.011, by adding a subdivision; 106.471, Subdivisions 2 and 6; 106.651; and Chapter 106, by adding a section.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Anderson, I.	Blatz	Clawson	Eken
Adams	Anderson, R.	Brinkman	Corbid	Elioff
Ainley	Battaglia	Byrne	Crandall	Ellingson
Albrecht	Begich	Carlson, D.	Dean	Erickson
Anderson, B.	Berglin	Carlson, L.	Dempsey	Esau
Anderson, D.	Berkelman	Casserly	Den Ouden	Evans
Anderson, G.	Biersdorf	Clark	Drew	Ewald

Farcy	Kahn	Metzen	Piepho	Stowell
Fjoslien	Kaley	Minne	Pleasant	Swiggum
Forsythe	Kalis	Moe	Prahl	Swanson
Friedrich	Kelly	Munger	Redalen	Thiede
Fritz	Kempe	Murphy	Reding	Tomlinson
Fudro	Knickerbocker	Nelsen, B.	Rees	Valan
Greenfield	Kostohryz	Nelsen, M.	Reif	Valento
Halberg	Kroening	Nelson	Rice	Vanasek
Haukoos	Kvam	Niehaus	Rodriguez	Voss
Heap	Laidig	Norman	Rose	Waldorf
Heinitz	Lehto	Novak	Rothenberg	Weaver
Hoberg	Long	Nysether	Sarna	Welch
Hokanson	Ludeman	Olsen	Searle	Welker
Jacobs	Luknic	Onnen	Searles	Wenzel
Jaros	Mann	Osthoff	Sieben, H.	Wieser
Jennings	McCarron	Otis	Sieben, M.	Wigley
Johnson, C.	McDonald	Pehler	Simoneau	Wynia
Johnson, D.	McEachern	Peterson, B.	Stadum	Zubay
Jude	Mehrkens	Peterson, D.	Stoa	Spkr. Norton

Those who voted in the negative were:

Sherwood

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

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1619, A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Section 3; removing the requirement that notaries public be approved by the senate; amending Minnesota Statutes 1978, Section 359.01.

Reported the same back with the following amendments:

Page 2, line 24, strike "governor's private"

Page 2, line 24, before the period, insert "*of state*"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 1619 was read for the second time.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 874, A bill for an act relating to state government; changing certain administrative procedures; amending Minnesota Statutes 1978, Sections 15.0411, Subdivision 2; 15.0412, Subdivisions 2, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1 and 4; 15.0422; 15.0424, Subdivision 6; and 15.052, Subdivisions 1, 2, 5, 7, 8 and 9; repealing Minnesota Statutes 1978, Sections 5.21, and 15.0423.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kroening moved that the House refuse to concur in the Senate amendments to H. F. No. 874, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

MOTIONS AND RESOLUTIONS

Rees moved that the name of Rothenberg be added as an author on H. F. No. 1562. The motion prevailed.

Wenzel, Thiede, Aasness, Erickson and McDonald introduced:

House Resolution No. 50, A house resolution proclaiming the week of April 7th to 12th, 1980, to be Distributive Education Week in Minnesota.

The resolution was referred to the Committee on Rules and Legislative Administration.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1453:

Johnson, D.; Patton; and Moe.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 507:

Jude, Jacobs, and Onnen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1095:

Corbid, Faricy, and Crandall.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2187:

Ellingson; Carlson, L.; and Rothenberg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 475:

Berkelman; Swanson; Reif; Nelsen, M.; and Heinitz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1435:

Forsythe, Reif, and McCarron.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1818:

Reding; Carlson, D.; and Kostohryz.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 10:30 a.m., Tuesday, April 1, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:30 a.m., Tuesday, April 1, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-FIRST DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 1, 1980

The House of Representatives convened at 10:30 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kaley	Niehaus	Sherwood
Adams	Eken	Kalis	Norman	Sieben, H.
Ainley	Elioff	Kelly	Novak	Sieben, M.
Albrecht	Ellingson	Kempe	Nysether	Simoneau
Anderson, B.	Erickson	Knickerbocker	Olsen	Stadum
Anderson, D.	Esau	Kostohryz	Onnen	Stoa
Anderson, G.	Evans	Kroening	Osthoff	Stowell
Anderson, I.	Ewald	Kvam	Otis	Sviggum
Anderson, R.	Faricy	Laidig	Patton	Swanson
Battaglia	Fjoslien	Lehto	Pehler	Thiede
Begich	Forsythe	Levi	Peterson, B.	Tomlinson
Berglin	Friedrich	Long	Peterson, D.	Valan
Berkelman	Fritz	Ludeman	Piepho	Valento
Biersdorf	Greenfield	Luknic	Pleasant	Vanasek
Blatz	Halberg	Mann	Prahl	Voss
Brinkman	Haukoos	McCarron	Redalen	Waldorf
Byrne	Heap	McDonald	Reding	Weaver
Carlson, D.	Heinitz	McEachern	Rees	Welch
Carlson, L.	Hoberg	Mehrrens	Reif	Welker
Casserly	Hokanson	Metzen	Rice	Wenzel
Clark	Jacobs	Minne	Rodriguez	Wieser
Clawson	Jaros	Moe	Rose	Wigley
Corbid	Jennings	Munger	Rothenberg	Wynia
Crandall	Johnson, C.	Murphy	Sarna	Zubay
Dean	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Jude	Nelsen, M.	Searle	
Den Ouden	Kahn	Nelson	Searles	

A quorum was present.

Fudro was excused until 2:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kempe moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. No. 1619 and S. F. Nos. 1340, 1724, 1752, 2283, 514, 1582, 2182, 2337, 1906, 2100 and 657 have been placed in the members' files.

S. F. No. 1752 and H. F. No. 1755, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kelly moved that S. F. No. 1752 be substituted for H. F. No. 1755 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1340 and H. F. No. 1373, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Brinkman moved that the rules be so far suspended that S. F. No. 1340 be substituted for H. F. No. 1373 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1906 and H. F. No. 1905, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Pleasant moved that the rules be so far suspended that S. F. No. 1906 be substituted for H. F. No. 1905 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2100 and H. F. No. 2088, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Greenfield moved that the rules be so far suspended that S. F. No. 2100 be substituted for H. F. No. 2088 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

March 31, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 942, relating to pollution control; authorizing state use of up to two percent of federal construction grant funds to administer the federal water pollution control act;

H. F. No. 2287, relating to the city of Edina, authorizing a temporary short term on-sale liquor license for a certain civic or charitable festival;

H. F. No. 1695, relating to highways; providing that a resolution of a county board revoking a county highway that would revert to a town is not effective until the highway meets county road standards;

H. F. No. 1985, relating to municipal electric power; permitting municipal power agencies to contract and do business with foreign entities;

H. F. No. 924, relating to commerce; regulating conduct of business under assumed business names;

H. F. No. 1601, relating to political parties; allowing members of political party committees and delegates to party conventions to take certain leave time from employment;

H. F. No. 593, relating to wild animals; clarifying conditions under which raccoons can be taken at night;

H. F. No. 1349, relating to natural resources; authorizing the commissioner of natural resources to convey the interests of the state in certain lands in Kandiyohi county for the purpose of correcting conveyancing errors;

H. F. No. 2222, relating to insurance; authorizing business trusts to exchange reciprocal or interinsurance contracts;

H. F. No. 2135, relating to public welfare; providing that certain relatives of children receiving aid to families with dependent children are not responsible for contributions;

H. F. No. 2051, relating to elections; requiring certain employers to attempt to let employees make up time taken off for certain public meetings;

H. F. No. 1427, relating to banks; raising the amount of an employee loan possible without prior board approval;

H. F. No. 1778, relating to Independent School District No. 466; permitting the sale of certain land;

H. F. No. 1623, relating to insurance; providing for the operation of the Minnesota life and health insurance guaranty association; correcting certain oversights and ambiguities; making certain improvements;

H. F. No. 711, relating to highway traffic regulations; authorizing physician's trained mobile intensive care paramedics to withdraw blood for the purposes of determining the presence of alcohol or controlled substances under the applied consent law;

H. F. No. 2119, relating to the military; extending indefinitely the duration of the authority of the adjutant general to acquire lands for military training from funds available in the military land fund; repealing certain obsolete provisions relating to the military land fund;

H. F. No. 1846, relating to highway traffic regulations; authorizing certain identification rights on motor vehicles operated by certificated volunteer ambulance drivers.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

March 28, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
978		383	March 28	March 28
1273		384	March 28	March 28
1403		385	March 28	March 28
1471		386	March 28	March 28
1645		387	March 28	March 28
1646		388	March 28	March 28
1716		389	March 28	March 28
1722		390	March 28	March 28
1796		391	March 28	March 28
1892		392	March 28	March 28
2040		393	March 28	March 28

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

SECOND READING OF SENATE BILLS

S. F. Nos. 1752, 1340, 1906 and 2100 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Thiede, Kvam, Dempsey, Ainley and Sherwood introduced:

H. F. No. 2488, A resolution memorializing the President and Congress of the United States to adopt an economic policy to promote economic growth by eliminating excessive regulation and taxation.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Forsythe, Knickerbocker, Faricy, Swanson and Carlson, D., introduced:

H. F. No. 2489, A resolution memorializing the United States Congress and the President of the United States to enact legislation providing a franking privilege for official mail connected with voter's registration and absentee ballots.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Fjoslien, Wigley, Dempsey, McDonald and Begich introduced:

H. F. No. 2490, A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments.

The bill was read for the first time and referred to the Committee on Judiciary.

HOUSE ADVISORIES

The following House Advisory was introduced:

Vanasek, Lehto and Laidig introduced:

H. A. No. 61, A proposal to study standards for selection, training and licensing of parttime peace officers.

The advisory was referred to the Committee on Criminal Justice.

Dean, Forsythe, McCarron and Otis were excused while in conference committee.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1710, A bill for an act relating to energy; stating legislative energy policy; providing grants and assistance for community energy planning; assessment of fees for residential energy audits; providing grants for residential heating costs and weatherization; providing guidelines for a state plan for spending federal money; reimbursing counties for heating emergency assistance expenses; defining large energy facilities; authorizing subdivisions to levy for certain energy related activities; providing grants for energy research and development projects; providing education on building energy efficiency; energy audits; ethanol plant demonstration project; creating the alcohol fuels information center; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 116H.01; 116H.087; 116H.12, Subdivision 11; 216B.16, by adding a subdivision; 275.50, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.02, Subdivision 5; 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2.

The Senate has appointed as such committee Messrs. Humphrey, Anderson and Ogdahl.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1727, A bill for an act relating to family; providing that natural parents may obtain a copy of an adopted child's original birth certificate; allowing parents ten days to revoke consent to adoption; providing a pre-adoption residency of three months; amending Minnesota Statutes 1978, Sections 144.218, Subdivision 1; 144.225, Subdivision 2; 259.24, Subdivision 5, and by adding a subdivision; 259.25, Subdivision 1, and by adding a subdivision; 259.27, Subdivision 4; and Chapter 259, by adding a section; repealing Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6; and 259.25, Subdivision 2.

The Senate has appointed as such committee Messrs. Davies, Sieloff and Knutson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2023, A bill for an act relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring hazardous waste management planning and development; establishing procedures for the review and approval of permits for waste facilities; authorizing debt; appropriating money; amending Minnesota Statutes 1978, Sections 116.06, Subdivisions 9, 10, 13, and by adding subdivisions; 116.07, Subdivisions 2, 4, 4a, and by adding subdivisions; 116.081, Subdivision 1; 116.101; 116.41; 400.03, Subdivision 1; 400.04; 400.06; 400.07; 400.13; 400.16 400.161; 473.121, by adding a subdivision; 473.149; 473.502; 473.516; 473.801, Subdivision 1; 473.802; 473.803; 473.811; 473.813; 473.823, Subdivision 3, and by adding a subdivision; Chapter 400, by adding a section; and Chapter 473, by adding sections; repealing Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2 to 7; 473.121, Subdivisions 27 to 31c; 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 728, Section 7.

The Senate has appointed as such committee Messrs. Merriam, Dunn and Willet.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2470, A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; authorizing purchase and sale of public lands and buildings; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

Voss moved that the House refuse to concur in the Senate amendments to H. F. No. 2470, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 729, A bill for an act relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 256B.35.

PATRICK E. FLAHAVEN, Secretary of the Senate

Greenfield moved that the House refuse to concur in the Senate amendments to H. F. No. 729, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1884, A bill for a act relating to education; modifying rule making procedures and the tuition exemption authority of the state university board; allowing a change in the placement service registration fee at state universities; modifying a visitation and reporting duty of the state university board; eliminating a reporting duty of state university presidents; eliminating a provision governing state university rules which conflict with the provisions of certain collective bargaining contracts; amending Minnesota Statutes 1978, Sections 136.11, Subdivisions 1 and 8; and 136.14; repealing Minnesota Statutes 1978, Sections 136.148 and 136.15.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Stoa moved that the House concur in the Senate amendments to H. F. No. 1884 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1884, A bill for an act relating to education; modifying certain rule making procedures and the tuition exemption authority of the state university board; allowing a change in the placement service registration fee at state universities; eliminating a reporting duty of state university presidents; eliminating a provision governing state university rules which conflict with the provisions of certain collective bargaining contracts; amending Minnesota Statutes 1978, Sections 136.11, Subdivisions 1 and 8; and 136.14; repealing Minnesota Statutes 1978, Sections 136.148 and 136.15.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kaley	Nelson	Sherwood
Adams	Drew	Kalis	Niehaus	Sieben, H.
Ainley	Eken	Kelly	Norman	Sieben, M.
Albrecht	Elioff	Kempe	Novak	Simoneau
Anderson, B.	Ellingson	Knickerbocker	Nysether	Stadum
Anderson, D.	Erickson	Kostohryz	Olsen	Stoa
Anderson, G.	Esau	Kroening	Onnen	Stowell
Anderson, I.	Evans	Kvam	Osthoff	Sviggum
Anderson, R.	Faricy	Laidig	Patton	Swanson
Battaglia	Fjoslien	Lehto	Pehler	Thiede
Begich	Friedrich	Levi	Peterson, B.	Tomlinson
Berglin	Fritz	Long	Peterson, D.	Valan
Berkelman	Greenfield	Ludeman	Piepho	Valento
Biersdorf	Halberg	Luknic	Pleasant	Vanasek
Blatz	Haukoos	Mann	Prahl	Voss
Brinkman	Heap	McDonald	Redalen	Weaver
Byrne	Heinitz	McEachern	Reding	Welch
Carlson, D.	Hoberg	Mehrkens	Rees	Welker
Carlson, L.	Hokanson	Metzen	Reif	Wenzel
Casserly	Jacobs	Minne	Rice	Wieser
Clark	Jaros	Moe	Rodriguez	Wigley
Clawson	Jennings	Munger	Rose	Wynia
Corbid	Johnson, C.	Murphy	Sarna	Zubay
Crandall	Jude	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Kahn	Nelsen, M.	Searles	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the return of House File No. 1169 for further consideration:

H. F. No. 1169, A bill for an act relating to census taking; providing for the taking of special censuses by the United States bureau of the census rather than the secretary of state; providing for the approval of school district population estimates by the state demographer; providing for annual population estimates of governmental subdivisions by the state demographer and their use in the computation of tax levy limits and local government aid; abolishing the authority of the municipal board to determine the population of municipalities and towns; amending Minnesota Statutes 1978, Sections 4.12, Subdivision 7; 275.14; 275.45; 275.53; 414.01, Subdivision 14; 477A.01, Subdivision 4; and Chapter 477A, by adding a section; repealing Minnesota Statutes 1978, Sections 365.61; and 414.033, Subdivision 8.

House File No. 1169 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Weaver moved that the vote whereby the House refused to concur in the Senate amendments and requested a Conference Committee on H. F. No. 1169 be now reconsidered. The motion prevailed.

CONCURRENCE AND REPASSAGE

Weaver moved that the House concur in the Senate amendments to H. F. No. 1169 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1169, A bill for an act relating to census taking; providing for the taking of special censuses by the United States bureau of the census rather than the secretary of state; providing for the approval of school district population estimates by the state demographer; providing for annual population estimates of governmental subdivisions by the state demographer and their use in the computation of tax levy limits and local government aid; abolishing the authority of the municipal board to determine the population of municipalities and towns; removing references to a state census; amending Minnesota Statutes 1978, Sections 4.12, Subdivision 7; 123.32, Subdivision 12; 275.14; 275.45; 275.53, Subdivisions 2 and 3, and by adding a subdivision; 275.59; 326.40, Subdivision 1; 326.60, Subdivision 1; 368.03; 375.025, Subdivision 1; 376.31; 395.08; 414.01, Subdivision 14; 447.34, Subdivision 1; 641.264, Subdivision 2; 645.44, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 275.53, Subdivision 1; 462C.07, Subdivision 2; 471.697, Subdivision 1; 471.698, Subdivision 1; and repealing Minnesota Statutes 1978,

Sections 365.61; 414.033, Subdivision 8; and Minnesota Statutes, 1979 Supplement, Section 275.53, Subdivision 1a.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kahn	Nelsen, M.	Searles
Adams	Drew	Kaley	Nelson	Sherwood
Ainley	Eken	Kalis	Niehaus	Sieben, H.
Albrecht	Elioff	Kelly	Norman	Sieben, M.
Anderson, B.	Ellingson	Kempe	Novak	Simoneau
Anderson, D.	Erickson	Knickerbocker	Nysether	Stadum
Anderson, G.	Esau	Kostohryz	Olsen	Stowell
Anderson, I.	Evans	Kroening	Onnen	Sviggum
Anderson, R.	Faricy	Kvam	Osthoff	Swanson
Battaglia	Fjoslien	Laidig	Patton	Thiede
Begich	Friedrich	Lehto	Pehler	Tomlinson
Berglin	Fritz	Levi	Peterson, B.	Valan
Berkelman	Greenfield	Long	Peterson, D.	Valento
Biersdorf	Halberg	Ludeman	Piepho	Voss
Blatz	Haukoos	Luknic	Pleasant	Weaver
Brinkman	Heap	Mann	Prahl	Welch
Byrne	Heinitz	McDonald	Redalen	Welker
Carlson, D.	Hoberg	McEachern	Reding	Wenzel
Carlson, L.	Hokanson	Mehrkens	Rees	Wieser
Casserly	Jacobs	Metzen	Reif	Wigley
Clark	Jaros	Minne	Rodriguez	Wynia
Clawson	Jennings	Moe	Rose	Zubay
Corbid	Johnson, C.	Munger	Rothenberg	Sprk. Norton
Crandall	Johnson, D.	Murphy	Sarna	
Dempsey	Jude	Nelsen, B.	Schreiber	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1814, A bill for an act relating to agriculture; clarifying certain requirements for authorized farm corporations; amending Minnesota Statutes 1978, Section 500.24, Subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Anderson, B., moved that the House concur in the Senate amendments to H. F. No. 1814 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1814, A bill for an act relating to agriculture; altering the definition of family farm corporation for the purpose of the Minnesota agricultural property tax law; clarifying certain requirements for authorized farm corporations; limiting liability of donors of distressed food; amending Minnesota Statutes 1978, Sections 273.111, Subdivision 3; and 500.24, Subdivision 2.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kalis	Novak	Sieben, H.
Adams	Elioff	Kelly	Nysether	Sieben, M.
Ainley	Ellingson	Kempe	Olsen	Simoneau
Albrecht	Erickson	Knickerbocker	Onnen	Stadum
Anderson, B.	Esau	Kostohryz	Osthoff	Stoa
Anderson, D.	Evans	Kroening	Patton	Stowell
Anderson, G.	Faricy	Kvam	Pehler	Sviggum
Anderson, I.	Fjoslien	Laidig	Peterson, B.	Swanson
Anderson, R.	Friedrich	Lehto	Peterson, D.	Thiede
Battaglia	Fritz	Levi	Piepho	Tomlinson
Begich	Greenfield	Long	Pleasant	Valan
Berglin	Halberg	Luknic	Prahl	Valento
Berkelman	Haukoos	Mann	Redalen	Vanasek
Biersdorf	Heap	McDonald	Reding	Voss
Blatz	Heinitz	McEachern	Rees	Weaver
Brinkman	Hoberg	Mehrkens	Reif	Welch
Byrne	Hokanson	Metzen	Rice	Welker
Carlson, D.	Jacobs	Minne	Rodriguez	Wenzel
Carlson, L.	Jaros	Moe	Rose	Wieser
Clark	Jennings	Murphy	Rothenberg	Wigley
Clawson	Johnson, C.	Nelsen, B.	Sarna	Wynia
Corbid	Johnson, D.	Nelsen, M.	Schreiber	Zubay
Dempsey	Jude	Nelson	Searle	Spkr. Norton
Den Ouden	Kahn	Niehaus	Searles	
Drew	Kaley	Norman	Sherwood	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1794, A bill for an act relating to courts; providing for elections in a county court district.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Aasness moved that the House concur in the Senate amendments to H. F. No. 1794 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1794, A bill for an act relating to county court district 8C; providing for residency of county court judges in the counties of Big Stone, Grant, Pope, Stevens, Traverse and Wilkin; providing for election of judges in those counties.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 107 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kvam	Osthoff	Stadum
Adams	Esau	Lehto	Patton	Stowell
Ainley	Evans	Levi	Pehler	Sviggum
Albrecht	Fjoslien	Ludeman	Peterson, B.	Swanson
Anderson, B.	Fritz	Luknic	Peterson, D.	Thiede
Anderson, D.	Halberg	Mann	Piepho	Tomlinson
Anderson, G.	Haukoos	McDonald	Pleasant	Valan
Anderson, I.	Heap	McEachern	Prahl	Valento
Anderson, R.	Heinitz	Mehrkens	Redalen	Voss
Battaglia	Hoberg	Metzen	Reding	Waldorf
Begich	Hokanson	Minne	Rees	Weaver
Berkelman	Jacobs	Moe	Reif	Welch
Biersdorf	Jennings	Munger	Rodriguez	Welker
Blatz	Johnson, C.	Murphy	Rose	Wenzel
Brinkman	Johnson, D.	Nelsen, B.	Rothenberg	Wieser
Carlson, D.	Jude	Nelsen, M.	Sarna	Wigley
Carlson, L.	Kaley	Nelson	Schreiber	Wynia
Clark	Kalis	Norman	Searles	Zubay
Clawson	Kempe	Novak	Sherwood	Spkr. Norton
Crandall	Knickerbocker	Nysether	Sieben, H.	
Dempsey	Kostohryz	Olsen	Sieben, M.	
Drew	Kroening	Onnen	Simoneau	

Those who voted in the negative were:

Berglin	Den Ouden	Friedrich	Kelly	Niehaus
Byrne	Ellingson	Greenfield	Long	Rice
Casserly	Erickson	Jaros		
Corbid	Faricy	Kahn		

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1684, A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Virginia.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Elioff moved that the House concur in the Senate amendments to H. F. No. 1684 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1684, A bill for an act relating to state lands; providing for the conveyance of certain land to the cities of Virginia and Thief River Falls.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Nelson	Searle
Adams	Eken	Kalis	Niehaus	Searles
Ainley	Elioff	Kelly	Norman	Sherwood
Albrecht	Ellingson	Kempe	Novak	Sieben, H.
Anderson, B.	Erickson	Kuickerbocker	Nysether	Sieben, M.
Anderson, D.	Esau	Kostohryz	Olsen	Simoneau
Anderson, G.	Evans	Kroening	Onnen	Stadum
Anderson, I.	Faricy	Kvam	Osthoff	Stoa
Anderson, R.	Fjoslien	Laidig	Patton	Stowell
Battaglia	Friedrich	Lehto	Pehler	Sviggum
Begich	Fritz	Levi	Peterson, B.	Thiede
Berglin	Greenfield	Long	Peterson, D.	Tomlinson
Berkelman	Halberg	Luknic	Piepho	Valan
Biersdorf	Haukoos	Mann	Prahl	Vanasek
Blatz	Heap	McDonald	Redalen	Voss
Brinkman	Heinitz	McEachern	Reding	Weaver
Byrne	Hoberg	Mehrkens	Rees	Welch
Carlson, L.	Hokanson	Metzen	Reif	Welker
Casserly	Jaros	Minne	Rice	Wenzel
Clark	Jennings	Moe	Rodriguez	Wieser
Clawson	Johnson, C.	Munger	Rose	Wigley
Corbid	Johnson, D.	Murphy	Rothenberg	Wynia
Crandall	Jude	Nelsen, B.	Sarna	Zubay
Dempsey	Kahn	Nelsen, M.	Schreiber	Spkr. Norton

Those who voted in the negative were:

Den Ouden Pleasant Swanson

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1145, A bill for an act relating to banks and banking; providing for implementation of certain statutes relating to electronic fund transfers; authorizing the commissioner of banks to adopt temporary rules; amending Minnesota Statutes 1978, Section 47.71.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Johnson, D., moved that the House concur in the Senate amendments to H. F. No. 1145 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1145, A bill for an act relating to banks and banking and electronic fund transfers; providing for implementation of certain statutes relating to electronic fund transfers; authorizing the commissioner of banks to adopt temporary rules; permitting counties to make electronic fund transfers; amending Minnesota Statutes 1978, Sections 47.71; and 385.07.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 113 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Jaros	McEachern	Redalen
Adams	Drew	Jennings	Mehrkens	Reding
Ainley	Eken	Johnson, C.	Metzen	Rees
Albrecht	Elioff	Johnson, D.	Minne	Reif
Anderson, B.	Ellingson	Jude	Moe	Rodriguez
Anderson, D.	Erickson	Kahn	Munger	Rose
Anderson, G.	Esau	Kaley	Murphy	Rothenberg
Anderson, I.	Evans	Kalis	Nelsen, B.	Sarna
Anderson, R.	Faricy	Kelly	Nelsen, M.	Schreiber
Battaglia	Fjoslien	Knickerbocker	Norman	Searles
Berkelman	Friedrich	Kostohryz	Novak	Sherwood
Biersdorf	Fritz	Kvam	Nysether	Sieben, H.
Blatz	Greenfield	Laidig	Olsen	Sieben, M.
Brinkman	Halberg	Lehto	Onnen	Simoneau
Carlson, D.	Haukoos	Levi	Osthoff	Stadum
Carlson, L.	Heap	Long	Patton	Stowell
Casserly	Heinitz	Luknic	Pehler	Sviggum
Clawson	Hoberg	Mann	Peterson, B.	Swanson
Corbid	Hokanson	McCarron	Piepho	Thiede
Crandall	Jacobs	McDonald	Pleasant	Tomlinson

Valan	Voss	Welch	Wigley	Spkr. Norton
Valento	Waldorf	Wenzel	Wynia	
Vanasek	Weaver	Wieser	Zubay	

Those who voted in the negative were :

Berglin	Den Ouden	Ludeman	Rice	Welker
Byrne	Kempe	Niehaus	Stoa	
Clark	Kroening	Peterson, D.		

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested :

H. F. No. 1302, A bill for an act relating to financial institutions ; permitting banks and trust companies to take junior liens under certain circumstances ; amending Minnesota Statutes 1978, Section 48.19, Subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

Ellingson moved that the House refuse to concur in the Senate amendments to H. F. No. 1302, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to :

S. F. No. 2095, A bill for an act relating to Hennepin County ; providing for a county personnel system ; providing various conditions of public employment ; amending Laws 1965, Chapter 855, Sections 1, 2, 3, 4, as amended, 5, 6, as amended, 7, as amended, 8, 9, 10, 11, 12, 13, 14, 15, as amended, and 16 ; and Laws 1979, Chapter 198, Article I, Section 2 ; repealing Laws 1945, Chapter 607, as amended ; Laws 1965, Chapter 855, Section 17 ; Laws 1967, Chapter 646, Sections 4, 5, 6, and 7, and Chapter 779 ; and Laws 1979, Chapter 198, Article III, Section 5.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Mrs. Staples, Mr. Keefe, J., and Mr. Wegener have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Greenfield moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 2095. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 133, A bill for an act relating to partnerships; enacting the 1976 uniform limited partnership act.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Davies, Spear and Bernhagen have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Ellingson moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 133. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1649, A bill for an act relating to agriculture; providing for testing to measure milk protein; providing for payments for milk protein and nonfat solids; amending Minnesota Statutes 1978, Section 32.25, Subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Gunderson, Renneke and Strand have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVER, Secretary of the Senate

Welch moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 1649. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1638, 2128, 2170 and 2217.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 2181.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1638, A bill for act relating to economic development; regulating the development revolving fund; amending Minnesota Statutes 1978, Section 472.13, Subdivision 1.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 2128, A bill for an act relating to taxation; clarifying the apportionment of income from taconite producers to Minnesota; amending Minnesota Statutes 1978, Chapter 298, by adding a section.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 2170, A bill for an act relating to taxation; providing adjustments to property tax refund due to granting of abatements on claimant's homestead; amending Minnesota Statutes 1978, Sections 290A.11, by adding a subdivision; and 375.192, Subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 2217, A bill for an act relating to taxation; restricting the use of certain proceeds of the taconite production tax; providing for state replacement of certain eliminated payments; appropriating funds; amending Minnesota Statutes 1978, Sections 124.212, Subdivision 8a; 273.135, Subdivision 2; 298.223 and 298.28, Subdivision 1; Chapters 273, by adding a section; and 477A, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 9.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 2181, A bill for an act relating to taxation; sales; exempting sales of sand, gravel, and crushed rock used in road construction; amending Minnesota Statutes, 1979 Supplement, Section 297A.25, Subdivision 1; repealing Minnesota Statutes 1978, Section 297A.25, Subdivision 4.

The bill was read for the first time and referred to the Committee on Taxes.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bill: H. F. No. 1121.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as a Special Order to be acted upon immediately preceding Special Orders pending for Tuesday, April 1, 1980, and further designated that S. F. No. 1708, currently No. 24 on Special Orders, to be moved to the top of Special Orders pending for Tuesday, April 1, 1980:

H. F. Nos. 2289, 2304 and 1619.

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as a Special Order to be acted upon immediately following Special Orders pending for Tuesday, April 1, 1980:

S. F. Nos. 1115, 1729 and 1028.

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as a Special Order to be acted upon immediately following Special Orders pending for Wednesday, April 2, 1980:

S. F. Nos. 1906, 1340, 2100 and 1752.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 2436, A bill for an act relating to the city of Duluth; providing for certain city tax revenues; repealing Laws 1973, Chapter 461, as amended; and Laws 1977, Chapter 438, as amended.

H. F. No. 2149, A bill for an act relating to public welfare; clarifying duties of the commissioner of public welfare regarding approval of public and private mental health centers and clinics for certain purposes; providing for additional rulemaking; appropriating money; amending Minnesota Statutes, 1979 Supplement, Section 245.69.

H. F. No. 1904, A bill for an act relating to the Nine Mile Creek and Riley-Purgatory Creek Watershed Districts; providing for the establishment of district water maintenance and repair funds; authorizing tax levies for water maintenance and repair purposes.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refused to adopt the Conference Committee report on Senate File No. 129, and that the present Conference Committee has been discharged, and that the

Senate has appointed a new Conference Committee consisting of five members on the part of the Senate to further consider the following Senate File No. 129:

S. F. No. 129, A bill for an act relating to reapportionment of the legislature and congressional districts; proposing an amendment to the Minnesota Constitution, Article IV, Sections 2, 3 and 4 to provide for establishment of the boundaries of congressional and legislative districts by a commission, removing the requirement that all senators be elected at the first general election following an apportionment and limiting the power of the legislature to change the number of senators and representatives; implementing the proposed amendment by providing by law for the duties, powers and operation of the commission; and repealing Minnesota Statutes 1978, Sections 2.041 to 2.712 and 2.731 to 2.811.

The Senate has appointed as such committee Messrs. Luther, Sikorski, Dieterich, Schaaf and Jensen.

Senate File No. 129 is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sieben, M., moved that S. F. No. 129 be now returned to the Senate. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1813, A bill for an act relating to public finance; authorizing the issuance of Minnesota state railroad assistance bonds; appropriating money; amending Minnesota Statutes 1978, Chapter 222, by adding a section.

PATRICK E. FLAHAVEN, Secretary of the Senate

Anderson, B., moved that the House refuse to concur in the Senate amendments to H. F. No. 1813, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreement votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 1816, A bill for an act relating to local correctional facilities; updating provisions concerning county jails, city lockups and workhouses; clarifying provisions penalizing the possession of contraband in local correctional facilities; repealing provisions concerning correctional or work farms; providing for establishing and organizing court administrative structure; budgeting and operation of court services, probation, juvenile detention and correctional facilities by counties; amending Minnesota Statutes 1978, Sections 401.02, Subdivision 3; 641.01; 641.04; 641.06; 641.14; 641.15; 641.16; 641.165, Subdivision 2; 641.18; 641.21; 641.22; 642.02, Subdivision 2; 642.03; 642.07; 642.12; 643.01; 643.02; and 643.29; repealing Laws 1925, Chapter 12; Laws 1927, Chapter 142; Minnesota Statutes 1945, Sections 643.21; 643.22; 643.23; 643.24; 643.25; 643.26; 643.27; 643.28; and Minnesota Statutes 1978, Sections 641.17; 641.27; 641.28; 641.29; 641.30; 641.31; 641.32; 641.33; 641.34; 641.35; 641.36; 641.37; 641.38; 642.14; 643.03; 643.04; 643.05; 643.06; 643.07; 643.08; 643.09; 643.10; 643.11; 643.12; 643.13; 643.14; 643.15; 643.16; 643.17; 643.19; and 643.20.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clawson moved that the House refuse to concur in the Senate amendments to H. F. No. 1816, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1190, A bill for an act relating to transportation; requiring the consent of municipalities for certain trunk highway improvements; authorizing the commissioner of transportation to convey or otherwise dispose of certain lands no longer needed for trunk highway purposes; authorizing the commissioner to lease airspace above and subsurface areas below trunk highway right-of-way; adding new routes to the trunk highway system, and adding new routes in substitution of existing routes; discontinuing and removing Route No. 327 from the trunk highway system; permitting certain equipment to use crossovers between the main line roadways of controlled access highways when operating within a marked construction zone; modifying the availability of federal reimbursements deposited in the state treasury and appropriated to the federal-state safety account;

prohibiting depositing snow or ice on a highway; excluding minor relocations of pipelines caused by highway construction from the definition of construction; modifying the procedures for approval of plats which include lands abutting trunk highways; amending Minnesota Statutes 1978, Sections 160.27, Subdivision 5; 161.172; 161.23, Subdivision 2; 161.43; 161.433, Subdivision 1; 161.44, Subdivision 1; 161.51; 169.305, Subdivision 1; 169.42, Subdivision 1; 505.03, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 116I.01, Subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Mehrkens moved that the House concur in the Senate amendments to H. F. No. 1190 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1190, A bill for an act relating to transportation; requiring the consent of municipalities for certain trunk highway improvements; authorizing the commissioner of transportation to convey or otherwise dispose of certain lands no longer needed for trunk highway purposes; authorizing the commissioner to lease airspace above and subsurface areas below trunk highway right-of-way; adding new routes to the trunk highway system, and adding new routes in substitution of existing routes; discontinuing and removing Route No. 327 from the trunk highway system; permitting certain equipment to use crossovers between the main line roadways of controlled access highways when operating within a marked construction zone; modifying the availability of federal reimbursements deposited in the state treasury and appropriated to the federal-state safety account; prohibiting depositing snow or ice on a highway; excluding minor relocations of pipelines caused by highway construction from the definition of construction; modifying the procedures for approval of plats which include lands abutting trunk highways; amending Minnesota Statutes 1978, Sections 160.27, Subdivision 5; 161.172; 161.23, Subdivision 2; 161.43; 161.433, Subdivision 1; 161.44, Subdivision 1; 161.51; 169.305, Subdivision 1; 169.42, Subdivision 1; 505.03, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 116I.01, Subdivision 2.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness Adams Ainley Albrecht Anderson, B.

Anderson, D.	Evans	Kostohryz	Olsen	Simoneau
Anderson, G.	Ewald	Kroening	Onnen	Stadum
Anderson, I.	Fariy	Kvam	Osthoff	Stoa
Anderson, R.	Fjoslien	Laidig	Otis	Stowell
Battaglia	Friedrich	Lehto	Patton	Sviggum
Begich	Fritz	Levi	Pehler	Thiede
Berkelman	Fudro	Long	Peterson, B.	Tomlinson
Biersdorf	Greenfield	Ludeman	Peterson, D.	Valan
Blatz	Halberg	Luknic	Piepho	Valento
Brinkman	Haukoos	Mann	Pleasant	Vanasek
Byrne	Heap	McCarron	Prahl	Voss
Carlson, D.	Heinitz	McDonald	Redalen	Waldorf
Carlson, L.	Hoberg	McEachern	Reding	Weaver
Casserly	Hokanson	Mehrkens	Rees	Welch
Clark	Jacobs	Metzen	Reif	Welker
Clawson	Jaros	Minne	Rice	Wenzel
Corbid	Jennings	Moe	Rodriguez	Wieser
Crandall	Johnson, D.	Munger	Rose	Wigley
Dempsey	Jude	Murphy	Rothenberg	Wynia
Den Ouden	Kahn	Nelsen, B.	Sarna	Zubay
Drew	Kaley	Nelsen, M.	Schreiber	Spkr. Norton
Elihoff	Kalis	Niehaus	Searle	
Ellingson	Kelly	Norman	Searles	
Erickson	Kempe	Novak	Sherwood	
Esau	Knickerbocker	Nysether	Sieben, M.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1451, 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Vanasek moved that the House concur in the Senate amendments to H. F. No. 1451 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1451, A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and authorizing land acquisition and sales in relation thereto; discontinuing Traverse des Sioux state park; repealing Minnesota Statutes 1978, Section 85.012, Subdivision 56.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Jude	Norman	Sherwood
Adams	Drew	Kahn	Novak	Sieben, H.
Ainley	Elioff	Kaley	Nysether	Sieben, M.
Albrecht	Ellingson	Kalis	Olsen	Simoneau
Anderson, B.	Erickson	Kelly	Onnen	Stadum
Anderson, D.	Esau	Kempe	Osthoff	Stoa
Anderson, G.	Evans	Knickerbocker	Otis	Stowell
Anderson, I.	Ewald	Kostohryz	Patton	Swiggum
Anderson, R.	Faricy	Kroening	Pehler	Swanson
Battaglia	Fjoslien	Kvam	Peterson, B.	Thiede
Begich	Friedrich	Laidig	Peterson, D.	Tomlinson
Berglin	Fritz	Levi	Piepho	Valan
Berkelman	Fudro	Ludeman	Pleasant	Valento
Biersdorf	Greenfield	Luknic	Prahl	Vanasek
Blatz	Halberg	Mann	Redalen	Voss
Brinkman	Haukoos	McCarron	Reding	Waldorf
Byrne	Heap	McDonald	Rees	Weaver
Carlson, D.	Heinitz	McEachern	Reif	Welch
Carlson, L.	Hoberg	Mehrkens	Rice	Welker
Casserly	Hokanson	Metzen	Rodriguez	Wenzel
Clark	Jacobs	Minne	Rose	Wieser
Clawson	Jaros	Munger	Rothenberg	Wigley
Corbid	Jennings	Murphy	Sarna	Wynia
Crandall	Johnson, C.	Neisen, B.	Searle	Zubay
Dempsey	Johnson, D.	Niehaus	Searles	Spkr. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1662, A bill for an act relating to state government; providing for a demonstration job-sharing project in state government; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

Minne moved that the House refuse to concur in the Senate amendments to H. F. No. 1662, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2281 and 2375.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 994.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 2085.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2281, A bill for an act relating to taxation; imposing penalties for failure to file returns for Kittson, Marshall, Clay, Becker and Wilkin counties' gravel tax; amending Laws 1961, Chapter 605, Section 3; Laws 1963, Chapter 475, Section 3; Laws 1977, Chapters 112, Section 3; and 117, Section 3.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 2375, A bill for an act relating to taxation; clarifying provisions of the Minnesota tax increment financing act; authorizing assessment agreements; amending Minnesota Statutes 1978, Section 472A.02, by adding a subdivision; and Minnesota Statutes, 1979 Supplement, Sections 273.73, Subdivisions 7, 8, 10, 11 and 12; 273.74, Subdivision 3; 273.75, Subdivisions 1, 2, 5 and 6; 273.76, Subdivisions 1, 2 and 3, and by adding subdivisions; 273.77; 273.78; 273.86, Subdivision 4; and 473F.08, Subdivision 6.

The bill was read for the first time.

Casserly moved that S. F. No. 2375 and H. F. No. 2284, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 994, A bill for an act relating to real estate brokers and salespersons; allowing legal education courses to substitute for real estate education courses under certain circumstances; reducing the number of hours of education required for a license; regulating the real estate education, research and recovery fund; setting fees; providing guidelines for the amount of the recovery portion of the fund and for paying claims; amending Minnesota Statutes 1978, Sections 82.22, Subdivisions 6 and 13; 82.34, Subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18, and by adding a subdivision; Minnesota Statutes, 1979 Supplement, Section 82.21, Subdivision 1; repealing Minnesota Statutes 1978, Section 82.34, Subdivision 2.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 2085, A bill for an act relating to public employees; creating a state department of employee relations; establishing appropriate units for state and university of Minnesota employees; providing for a right to strike; providing for interim contract approval by the legislative commission on employee relations; clarifying civil service laws; providing for health benefits; providing for a study of promotional systems; repealing duty of the revisor of statutes regarding certain collective bargaining agreements; appropriating money; amending Minnesota Statutes 1978, Sections 43.001; 43.01, Subdivision 8; 43.05, by adding a subdivision; 43.111; 43.18, Subdivision 4; 43.19, Subdivision 1; 43.245; 43.321; 43.45; 43.46; 179.63, Subdivisions 7 and 8; 179.64, Subdivisions 2, 3, 4, and 5, and by adding a subdivision; 179.67, Subdivision 4; 179.69, Subdivisions 1 and 3; 179.71, Subdivisions 3 and 5; 179.72, Subdivision 6; 179.74, Subdivisions 2 and 3; and Chapters 43 and 179, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 3.855; 43.05, Subdivision 2; 43.067, Subdivision 1; 43.19, Subdivision 1; 43.50, Subdivision 1; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5; and Laws 1979, Chapter 332, Article I, Sections 114 and 116; repealing Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2082:

Lehto, Osthoff, Olsen, Laidig, and Vanasek.

SPECIAL ORDERS

H. F. No. 2289, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing certain restrictions on highway bonds.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 101 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Kalis	Nelson	Stadum
Adams	Den Ouden	Kelly	Novak	Stoa
Ainley	Drew	Kempe	Nysether	Swanson
Anderson, B.	Eken	Knickerbocker	Osthoff	Thiede
Anderson, D.	Elioff	Kostohryz	Otis	Tomlinson
Anderson, G.	Ellingson	Kroening	Patton	Valan
Anderson, I.	Erickson	Laidig	Pehler	Vanasek
Anderson, R.	Esau	Long	Peterson, D.	Voss
Battaglia	Evans	Ludeman	Piepho	Waldorf
Begich	Faricy	Luknic	Pleasant	Weaver
Berglin	Fjoslien	Mann	Prahl	Welch
Berkelman	Friedrich	McCarron	Redalen	Wenzel
Biersdorf	Fudro	McEachern	Reding	Wieser
Blatz	Greenfield	Mehrkens	Rees	Wigley
Brinkman	Heap	Metzen	Rice	Wynia
Byrne	Hejnitz	Minne	Rodriguez	Zubay
Carlson, D.	Hoberg	Moe	Sarna	Spkr. Norton
Carlson, L.	Hokanson	Munger	Sherwood	
Clark	Jacobs	Murphy	Sieben, H.	
Clawson	Jude	Nelsen, B.	Sieben, M.	
Corbid	Kaley	Nelsen, M.	Simoneau	

Those who voted in the negative were:

Albrecht	Kvam	Olsen	Rothenberg	Welker
Crandall	Lehto	Onnen	Searles	
Fritz	McDonald	Peterson, B.	Stowell	
Haukoos	Niehaus	Reif	Sviggum	
Jennings	Norman	Rose	Valento	

The bill was passed and its title agreed to.

Anderson, G., was excused while in conference committee.

H. F. No. 2304 was reported to the House.

Kempe moved to amend H. F. No. 2304 as follows:

Page 2, line 11, after "*legislature*" insert "*before adjournment sine die,*"

Page 2, line 16, delete "*, and*" and insert "*by the entire membership of each body.*"

The motion prevailed and the amendment was adopted.

Clawson offered an amendment to H. F. No. 2304.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order well taken and the amendment out of order.

Thiede moved to amend H. F. No. 2304, as amended, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Subdivision 1. An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, two new sections shall be added to Article IV, which shall read:

Sec. 27. [INITIATIVE.] The people reserve to themselves the power on their initiative to propose laws and to adopt or reject them independently of the legislature.

A law initiated by the people shall be adopted by the people upon the affirmative vote of a majority of those voting on the question at a general election.

The governor shall have no power to approve or veto a law initiated by the people.

No law initiated and adopted by the people may be repealed by the legislature, but it may be amended by a two-thirds vote of the members elected to each house, until after another general election has intervened.

Sec. 28. [REFERENDUM.] The people reserve to themselves the power by petition to require the referral to them for their approval or rejection of a law, or part of a law, adopted by the legislature. The people shall not require the referral of a law or part of a law which is an appropriation, a special law which names the single local government unit or county to which it ap-

plies, or a law which provides that it is an emergency matter and is adopted by a two-thirds vote of each house.

A law, or part of a law, referred by petition to the people shall be adopted by the people upon the affirmative vote of a majority of those voting on the question at a general election.

Sec. 2. The amendment shall be submitted at the 1980 general election. The question shall be:

“Shall the Minnesota Constitution be amended to provide for initiative and referendum?

Yes.....

No.....”

Sec. 3. [3B.01] [CITATION.] Sections 3 to 38 may be cited as “The Initiative and Referendum Implementation Act”.

Sec. 4. [3B.02] [DEFINITIONS.] Subdivision 1. The words defined by this section shall, when used in sections 4 to 38, have the meanings given them.

Subd. 2. “General election” is as defined in Minnesota Statutes, Section 200.02, Subdivision 2.

Subd. 3. “Measure” means the proposed law in an initiative petition or the law in either the Laws of Minnesota or Minnesota Statutes cited in a referendum petition.

Subd. 4. “Petition drive” means the organized process by the sponsors and their authorized agents of soliciting the general public to sign initiative or referendum petitions.

Sudd. 5. “Eligible voter” means those persons who may register to vote under the provisions of chapter 201.

Subd. 6. “Sponsors” means the persons specified by section 5, subdivision 2, clause (a).

Sec. 5. [3B.03] [PREPARATION FOR PETITIONING ON AN INITIATIVE MEASURE.] Subdivision 1. Before circulation of any petitions to have an initiative measure placed on the ballot, the sponsors shall, as soon as possible but not later than October 31 of an odd numbered year, file a declaration with the secretary of state.

Subd. 2. The declaration shall:

(a) State the names, mailing addresses and any business or residential phone numbers of not less than 25 persons with an

indication of who is the chairman, or chairwoman, and who is the treasurer; and,

(b) State the name and mailing address of all committees, groups or organizations known to the sponsors who intend to support the petition drive on the measure or otherwise aid the sponsors; and,

(c) Give a description of the intent or purpose of the measure, or, if the proposed measure is already drafted, include a copy of the draft; and,

(d) State the name, address or phone number of a person who is generally available to work on the final form and wording of the measure and is authorized to approve its final form and wording.

Subd. 3. The secretary of state shall, by rule, provide a sample declaration form.

Subd. 4. The sponsors shall pay to the secretary of state a filing fee of \$200 which shall be deposited in the general fund.

Subd. 5. The sponsors at the time of filing the declaration with the secretary of state may present a petition in lieu of the filing fee required by subdivision 4. The petition shall be validly signed by at least 4,000 eligible voters. The petition authorized by this subdivision may not be used to fulfill the requirements of sections 8 to 11.

Sec. 6. [3R.04] [ADVICE BY REVISOR OF STATUTES.] Subdivision 1. The secretary of state shall forward one copy of each declaration provided for in section 5 to the revisor of statutes. The secretary of state shall also advise the sponsors to consult with the revisor.

Subd. 2. The revisor of statutes shall, within 30 calendar days of receipt of the declaration, prepare a final draft of the initiative measure in accordance with the intent and purpose expressed in the declaration. The intent and purpose may be amplified or refined by the person authorized in the declaration to approve the form and wording of the measure. The revisor shall give to the person authorized to approve the form and wording of the measure, his or her best advice as to the measure's constitutionality, and the best form and content of the measure to accomplish the sponsors' intent and purpose. However, if the revisor and the sponsors disagree as to the best form and content of the measure to accomplish the sponsors' intent and purpose, or disagree as to constitutionality, the directions of the sponsors shall prevail. All discussions by the revisor with the sponsors shall be treated by the revisor as confidential. With the final draft prepared by the revisor, the revisor shall also furnish the sponsors and the secretary of state with a summary of the mea-

sure for use on the petition as provided by section 8, subdivision 1, clause (b). If, after consulting with the revisor, the sponsors do not desire the revisor's assistance, they shall sign a written waiver of assistance. The waiver shall then be filed with the secretary of state and the revisor together with a final draft of the initiative measure prepared by the sponsors. Within seven calendar days after the revisor receives the waiver and final draft, he or she shall furnish the sponsors and the secretary of state with a summary of the measure for use on the petition as provided by section 8, subdivision 1, clause (b).

Subd. 3. The form of initiative measures shall conform to the form of bills considered by the legislature. The enacting clause shall be "BE IT ENACTED BY THE PEOPLE OF THE STATE OF MINNESOTA". No initiative shall embrace more than one subject. The measure may not provide for the form of the ballot question by which it would be submitted to the voters.

Subd. 4. Upon receiving the final draft of the initiative measure from the revisor of statutes, the sponsors shall, within 21 calendar days, either file it with the secretary of state or file a waiver and draft prepared by the sponsors as provided by subdivision 2. Failure to file within the time limit either the revisor's draft or a waiver and sponsors' draft constitutes a voluntary abandonment of the petition drive.

Sec. 7. [3B.05] [FISCAL NOTE ON AN INITIATIVE MEASURE.] Subdivision 1. Upon receiving the final draft of the initiative measure, the secretary of state shall, within seven calendar days, file a copy with the commissioner of finance. Within 30 calendar days after the copy is filed, the commissioner of finance shall prepare an impartial fiscal note on the measure and shall file a copy of it with the secretary of state and each county auditor.

Subd. 2. The fiscal note shall estimate the amount of any increase or decrease, immediate or long range, in either revenue or costs for all governmental units. The total increase or decrease shall be subdivided to separately show the fiscal effect upon state government and local governmental units. The fiscal note shall not comment upon the merits of the proposal. The note shall be signed by the commissioner and shall clearly show that the information was prepared by his or her department.

Sec. 8. [3B.06] [PETITIONS FOR INITIATIVE.] Subdivision 1. Each initiative petition shall consist of as many copies as the sponsors print, each of which is not more than one sheet of paper and contains the following on the front:

(a) In not less than 25 point bold type on a 30 point body at the top of the front page, the printed words "INITIATIVE PETITION"; and,

(b) A brief impartial summary of the purpose and effect of the measure prepared by the revisor of statutes; and,

(c) A statement that a verbatim copy of the initiative measure is available for public examination at the office of the secretary of state or any county auditor; and,

(d) A statement that a statement of any fiscal effect of the measure, prepared by the commissioner of finance, is or will be on file with the secretary of state and each county auditor; and,

(e) Space for the signatures, printed name, mailing address, county and city or town of each petition signer, and the date of signing.

Subd. 2. On the reverse side of each petition shall be an affidavit for the person circulating the petition which shall give his or her name, mailing address, and phone number; indicate that he or she circulated the petition; indicate that to the best of his or her knowledge each of the signers is an eligible voter and resident in the county; identify the sponsors on whose behalf the petition was circulated; and indicate that he or she has received no compensation for circulating the petition.

Subd. 3. The secretary of state shall, by rule, prescribe the form for initiative petitions.

Subd. 4. At the time the final draft of the initiative measure is filed with the secretary of state, as provided by section 6, subdivision 4, the sponsors shall also file a copy of the petition with the secretary of state. Within seven calendar days the secretary shall examine the petition and determine whether it complies with this section and the secretary's rules. If the petition complies, the secretary shall approve it and notify the sponsors. If the secretary finds that the form of the petition is not in compliance, he or she shall disapprove it and order it redrafted. The secretary shall notify the sponsors that the petition is not in compliance with the law and rules and specify what changes are necessary to bring it into compliance. Failure to refile a new petition drafted in accordance with the secretary's instructions not later than seven calendar days after the secretary's notice constitutes abandonment of the drive. Upon refile, the secretary shall again examine the petition for its compliance with this section and the secretary's rules and approve it or again reject it. The petition may subsequently be refiled until it is found to comply with the law and rules.

Subd. 5. The secretary of state shall, within seven calendar days after approving the petition form, notify the county auditor in each county of the nature of the proposed initiative measure, that the petition form has been approved, and the date of approval. The secretary of state shall enclose a verbatim copy of the initiative measure as on file in his or her office.

Sec. 9. [3B.07] [TIME OF CIRCULATION OF INITIATIVE PETITIONS; VOLUNTARY ABANDONMENT.] *Subdivision 1. Initiative petitions may only be circulated on those days of odd numbered years which are eight calendar days after the date of the secretary of state's approval of the petition. This limitation shall not prevent the sponsors from undertaking organizational activity or completing the procedures of section 5 or 6 prior to the time petitions are circulated.*

Subd. 2. The sponsors may voluntarily abandon the drive any time before the certification by the secretary of state provided for in section 17, subdivision 4. To abandon the drive, a declaration to that effect shall be filed with the secretary of state. The filing of the declaration shall not prevent other sponsors from beginning a similar or identical petition drive. However, all petitions signed prior to the declaration are invalid upon the filing of the declaration and may not subsequently be utilized by the new sponsors.

Subd. 3. Petitions which are signed but never filed, or which are filed but the number of signatures are later determined to be insufficient, are invalid on January 8 of the year after they are signed. The petitions may not be used for similar or identical petition circulation efforts in subsequent years.

Sec. 10. [3B.08] [AMOUNT OF SIGNATURES FOR INITIATIVE.] *An initiative measure shall be placed on the ballot if petitions for the measure are validly signed by eligible voters in a number which is not less than ten percent of the number of votes cast for all candidates for governor at the last gubernatorial election. Signatures shall be from eligible voters in every county of the state. For no county shall the number of signatures be less than eight percent of the votes cast for all candidates for governor in that county at the last gubernatorial election.*

Sec. 11. [3B.09] [FILING OF PETITIONS.] *Subdivision 1. Not later than January 7 of the year succeeding the one in which the petitions were circulated, the sponsors may file the signed petitions with the auditor of the county in which they were circulated. When filed, the signed petitions shall be securely bound together by the sponsors. Failure to file petitions with each county auditor in time constitutes abandonment of the petition drive.*

Subd. 2. If any petitions are filed in accordance with this section, not later than January 7, the sponsors shall also file an affidavit with the secretary of state indicating the counties in which petitions are or will be filed and the number of valid signatures believed to be on the petitions filed in each county. Failure to file the affidavit in time constitutes abandonment of the petition drive.

Subd. 3. Only the sponsors, or those authorized in writing by the sponsors, may file petitions.

Subd. 4. If petitions are filed before January 7, the sponsors may, not later than January 7, file petitions containing additional signatures.

Sec. 12. [3B.10] [PETITIONS RECEIVED BY AUDITORS AND SIGNATURES COUNTED.] *Subdivision 1. Not later than January 28, the auditor of each county shall, without then attempting to verify the validity of any signature, determine the total number of signatures affixed to the petitions filed at his or her office and shall, not later than February 16, give written notification to the secretary of state and the sponsors of the number of signatures.*

Subd. 2. If the sponsors wish to contest any auditor's count of signatures, they shall file a brief statement of the reasons and evidence they believe indicate that the count is erroneous. The statement shall be filed not later than February 2 with the county auditor believed to have made an erroneous count. The contest shall be heard and determined not later than February 9. The determination by a county auditor shall be in writing. It is final, however, if determination of the contest will determine whether the number of signatures on the petitions is sufficient for the county, it may be appealed by the sponsors to the secretary of state. If the sponsors indicate in writing to the auditor and the secretary of state before February 16 that they will appeal, the county auditor shall notify the secretary of state that the number of signatures is tentatively sufficient pending the determination of the appeal by the secretary.

Subd. 3. Not later than the last day of February, the secretary of state shall hear and determine any appeals of contests of the count of signatures by the county auditors.

Subd. 4. If, upon receiving all notifications of the county auditors and determination of any appeals contesting the count, it is found by the secretary of state that the total number of signatures filed with each county and in the entire state are equal to or more than the number of signatures needed to declare the number of signatures on the petitions to be sufficient, not later than March 5, the secretary of state shall notify all county auditors. If either the total number of signatures filed with any county auditor is less than the minimum number of signatures required, or the total number of signatures filed with all county auditors in the state is less than the number of signatures required, the secretary of state shall notify the sponsors and all county auditors. No further action shall then be taken on the petitions.

Sec. 13. [3B.11] [VERIFICATION OF PETITIONS.] *Subdivision 1. Upon receipt of the notice from the secretary*

of state as provided in section 12, subdivision 4, each county auditor shall, not later than April 30, verify the number of valid signatures on the petitions and, not later than June 7, notify the secretary of state of the number of valid signatures.

Subd. 2. A signature is valid when:

(a) The signatory was an eligible voter on the date he or she signed the petition; and,

(b) The signatory is a resident of the county in which the petition is filed; and,

(c) The signature is legible.

Subd. 3. Upon the contesting by any eligible voter of the county of the validity of any signature on a petition, a signature otherwise valid under subdivision 2, is invalid upon a finding by the auditor by a preponderance of the evidence that a signature:

(a) is not that of who it purports to be; or,

(b) that it was not voluntarily signed; or,

(c) that compensation has been paid to the signatory for signing; or,

(d) that the signature was procured by fraud.

Subd. 4. If an auditor requests assistance and the assistance will be provided without charge to the auditor, the sponsors of the petition may assist the auditor to verify the signatures. However, the assistance shall be subject to any controls the auditor may impose.

Subd. 5. If 500 or more signatures appear on petitions filed with a county auditor, the auditor shall use the random sampling method provided for in section 14 for the verification of signatures.

Subd. 6. If less than 500 signatures appear on a petition filed with a county auditor, the auditor shall verify all signatures.

Subd. 7. The secretary of state shall provide by rule for a uniform method for the county auditors to verify signatures.

Sec. 14. [3B.12] [RANDOM SAMPLING METHOD OF SIGNATURE VERIFICATION.] Subdivision 1. A sample of signatures to be verified shall be drawn in such a manner that every signature filed with the county auditor shall be given an

equal opportunity to be included in the sample. The sample shall include either 500 signatures or five percent of the signatures, whichever is greater.

Subd. 2. If the verification from the statistical sample shows that the total number of valid signatures on all the petitions is within 90 to 110 percent of the minimum number of signatures needed to declare the number of petition signatures to be sufficient for the county, the county auditor shall verify all remaining unverified signatures. After the verification, the auditor shall notify the secretary of state either that the number of valid signatures was insufficient or, if the number is sufficient, of the number of valid signatures.

Subd. 3. If the verification from the statistical sample shows that the total number of valid signatures on all the petitions is 110 percent or more of the minimum number of signatures needed to declare the number of petition signatures to be sufficient for the county, the auditor shall notify the secretary of state of the number of valid signatures. The number of valid signatures shall be determined by taking the total number of signatures filed and multiplying it by the percentage of signatures in the statistical sample which were found to be valid. In calculating the number of valid signatures, any fractions shall be rounded up to one.

Subd. 4. If the verification from the statistical sample shows that the number of valid signatures is less than 90 percent of the minimum number of signatures needed to declare the number of petition signatures to be sufficient for the county, the auditor shall notify the secretary of state that the number of petition signatures has been found to be insufficient.

Sec. 15. [3B.13] [CONTESTS ON THE VALIDITY OF SIGNATURES.] *If an auditor finds that any signature is invalid, he or she shall record the reason for the determination of invalidity and notify the sponsors of the finding and reason. If an auditor finds that any signature is valid and any eligible voter in the county wishes to contest it, the person shall file with the auditor a statement of the signature asserted to be invalid and the reason for the invalidity. If the sponsors wish to contest the auditor's determination of the invalidity of any signature, or if any eligible voter of the county wishes to contest a determination of validity, not later than May 7, they shall file a brief statement of the evidence they believe indicates the auditor's determination was erroneous. The auditor shall hear evidence and determine contests not later than May 31. The sponsors may participate in any hearing contesting a finding of the validity of a signature. The determination of the county auditor shall be in writing. It is final; however, it may be appealed to the secretary of state as provided by section 17. If it is indicated in writing to the auditor and secretary of state before June 7 that there will be an appeal, the county*

auditor shall notify the secretary of state of both the valid number of signatures and the number of contested signatures appealed for final determination by the secretary of state.

Sec. 16. [3B.14] [INSUFFICIENT VALID SIGNATURES.] *If the secretary of state receives a notification of insufficiency from any county auditor, the secretary shall immediately notify the sponsors and all county auditors. Upon receipt of the notification, no further actions shall be taken on the petitions by the secretary of state or any county auditors.*

Sec. 17. [3B.15] [RECEIPT OF NOTIFICATIONS BY SECRETARY OF STATE.] *Subdivision 1. The secretary of state shall receive the notifications from each county auditor of the valid number of signatures.*

Subd. 2. Not later than July 7, the secretary of state shall hear and determine any appeals of contests relating to the determination of the validity of signatures by the county auditors. The secretary may delegate the hearing and determination to other persons.

Subd. 3. The secretary shall, not later than July 31, declare whether or not the total number of valid signatures meets both the minimum number of signatures required by law for the state and for each county.

Subd. 4. If the number of petition signatures meets or exceeds the minimum, the secretary of state shall certify the sufficiency of the initiative petitions to the sponsors and all county auditors. The question of adoption of the initiative measure filed with the secretary of state shall be placed on the ballot for the general election. The secretary of state's certificate shall state the wording of the question to be placed on the ballot. The revisor of statutes shall recommend to the secretary of state a wording for the question. The ballot question shall not exceed 30 words and shall be a true and impartial statement of the intent and purpose of the initiative measure. It shall be in similar form as for any ballot issues which may be on the ballot as a result of a legislative proposal of a constitutional amendment.

Subd. 5. If the secretary of state shall find that the number of signatures either in a county or in the entire state is insufficient, the secretary of state shall notify the sponsors and all county auditors. No further action shall then be taken on the petitions.

Sec. 18. [3B.16] [PROCEDURES FOR REFERENDUM PETITIONING.] *Subdivision 1. Before circulating any petitions to require the referral to the people for their approval or rejection of either any chapter, section or subdivision of the Minnesota Statutes or any chapter, section or subdivision of the Laws of Minnesota, the sponsors shall file a declaration with the*

secretary of state by October 31. A referendum shall not propose to amend an act or part of an act. No referendum shall embrace more than one subject.

Subd. 2. The declaration shall:

(a) State the names, mailing addresses and any business or residential phone numbers of not less than 25 persons, with an indication of who is the chairman, or chairwoman, and who is the treasurer; and,

(b) State the name and mailing address of all committees, groups or organizations known to the sponsors who intend to support the petition drive on the measure or otherwise aid the sponsors; and,

(c) Give a precise citation of the act, or portion of an act, which the sponsors seek to have referred. The citation shall be to the Laws of Minnesota, chapter number of the act and, if appropriate, the sections of the chapter; and,

(d) Give a concise statement of the nature of the act, or portion of an act, that the sponsors propose to have referred to the people.

Subd. 3. The sponsors shall pay to the secretary of state a filing fee of \$200 which shall be deposited in the general fund.

Subd. 4. The sponsors at the time of filing the declaration with the secretary of state may present a petition in lieu of the filing fee required by subdivision 3. The petition shall be validly signed by at least 4,000 eligible voters. The petition authorized by this subdivision may not be used to fulfill the requirements of sections 21 to 24.

Sec. 19. [3B.17] [ADVICE BY REVISOR OF STATUTES.] *Subdivision 1. The secretary of state shall forward a copy of each declaration provided for in section 18, subdivision 2, to the revisor of statutes. The secretary of state shall also advise the sponsors to consult with the revisor. If assistance is not desired, the citation in the declaration is final upon the filing of the waiver in subdivision 2.*

Subd. 2. The revisor of statutes shall, within seven calendar days after receipt of the declaration, compare the declaration's citation and statement of the sponsor's statement of the nature of the act, or portion of an act, the sponsors propose to refer to the people. The revisor shall also consult with the sponsors and obtain any amplification or referment as to their intentions. The revisor shall give his or her best advice as to the correct and complete citation to accomplish the sponsor's intentions. All discussions by the revisor with the sponsors are to be treated by the

revisor as confidential. The revisor shall also furnish the sponsors, and the secretary of state, with a summary of the measure for use on the petition as provided by section 20, subdivision 1, clause (c). If, after consulting with the revisor, the sponsors do not desire the revisor's assistance, they shall sign a written waiver of assistance and file it with the secretary of state and the revisor of statutes.

Subd. 3. Within seven calendar days after receiving the revisor's advice, the sponsors may amend the citation in the declaration. Upon the expiration of this time without amending the citation in the declaration, the citation in the declaration is final. Upon the amending of the citation or the expiration of the time to amend, whichever is later, the revisor shall prepare and deliver to the sponsors and the secretary of state with a summary of the measure for use on the petition as provided by section 21, subdivision 1, clause (c).

Sec. 20. [3B.18] [FISCAL NOTE ON A REFERENDUM MEASURE.] *Subdivision 1. Upon receiving the final draft of the referendum measure, the secretary of state shall, within seven calendar days, file a copy with the commissioner of finance. Within 30 calendar days after the copy is filed, the commissioner of finance shall prepare an impartial fiscal note on the measure and shall file a copy of it with the secretary of state and each county auditor.*

Subd. 2. The fiscal note shall estimate the amount of any increase or decrease, immediate or long range, in either revenue or costs for all governmental units. The total increase or decrease shall be subdivided to separately show the fiscal effect upon state government and local governmental units. The fiscal note shall not comment upon the merits of the proposal. The note shall be signed by the commissioner and shall clearly show that the information was prepared by his or her department.

Sec. 21. [3B.19] [PETITIONS FOR REFERENDUM.] *Subdivision 1. Each referendum petition shall consist of as many copies as the sponsors print, each of which is not more than one sheet and contains the following on the front:*

(a) In not less than 25 point bold type on a 30 point body at the top of the front page have the printed words "REFERENDUM PETITION"; and,

(b) A precise citation of the act, or portion of an act, which the sponsors seek to have referred. The citation shall be exactly as stated in the declaration or any amendment to the declaration; and,

(c) A brief impartial summary, drafted by the revisor of statutes, of the purpose and effect of the act, or portion of an

act, which the sponsors propose to have referred to the people; and,

(d) A statement that a statement of the fiscal effect of the measure, prepared by the commissioner of finance, is or will be on file with the secretary of state and each county auditor; and,

(e) Space for the signatures, printed name, mailing address, county and city or township of each petition signer, and the date of signing.

Subd. 2. On the reverse side of the petition shall be an affidavit for the person circulating the petition which shall give his or her name, mailing address, phone number; indicate that he or she circulated the petition; indicate that to the best of his or her knowledge each of the signers is an eligible voter and resident in the county; identify the sponsor on whose behalf the petition was circulated; and indicate that he or she has received no compensation for circulating the petition.

Subd. 3. The secretary of state shall, by rule, prescribe the form for referendum petitions.

Subd. 4. When the citation is amended as provided by section 19, subdivision 3, or not later than seven days after receiving the revisor's advice as provided by section 19, subdivision 2, the sponsors shall file with the secretary of state a copy of the petition they propose to circulate. Within seven calendar days the secretary of state shall examine it to determine its compliance with subdivisions 1 and 2 of this section and the secretary of state's rules. If the petition complies, the secretary of state shall approve it and notify the sponsors. If the secretary of state finds that the petition is not in compliance with the law and the rules, he or she shall disapprove it and order it redrafted in accordance with his or her directions. Failure to refile within seven calendar days constitutes abandonment of the drive. Upon refile, the secretary shall again examine the petition for compliance with the law and rules and approve it or again reject it. The petition may again be refiled until it is found to comply with the law and rules.

Subd. 5. The secretary of state shall, within seven calendar days after approving the petition form, notify the auditor in each county of the nature of the proposed referendum matter, that the petition form has been approved, and the date of approval.

Subd. 6. Failure to file a copy of the petition within the time limit of subdivision 4 constitutes an abandonment of the petition drive.

Sec. 22. [3B.20] [TIME OF CIRCULATION OF REFERENDUM PETITIONS.] Subdivision 1. If referendum peti-

tions concern a bill enacted at the most recent legislative session, the petitions may not be circulated before the act is passed by the legislature and either approved by the governor or again passed by the legislature notwithstanding the governor's objections, and is filed with the secretary of state and assigned a chapter number. However, this subdivision does not restrict referendum petitions to bills passed at the most recent session of the legislature.

Subd. 2. Referendum petitions may only be circulated on those days of odd numbered years which begin eight calendar days after the date of the secretary of state's approval of the petition. This limitation shall not prevent the sponsors from undertaking organizational activity or compiling the procedures of section 18 or 19 prior to the time the petitions are circulated.

Subd. 3. The sponsors may voluntarily abandon the circulation of petitions in accordance with the provisions of section 9, subdivision 2.

Sec. 23. [3B.21] [AMOUNT OF SIGNATURES FOR REFERENDUM.] A referendum measure shall be placed on the ballot if petitions for the measure are validly signed by eligible voters in a number which is not less than five percent of the number of votes cast for all candidates for governor at the last gubernatorial election. Signatures shall be from eligible voters who are residents of every county of the state. For no county shall the number of signatures be less than four percent of the votes cast for all candidates for governor in that county at the last gubernatorial election.

Sec. 24. [3B.22] [REFERENDUM PETITION PROCEDURES.] Referendum petitions shall be filed, received, verified and notice of results given as provided by sections 11, 12, 13, 14, 15, 16 and 17.

Sec. 25. [3B.23] [NUMBERING OF BALLOT MEASURES.] The secretary of state shall number in consecutive order each initiative and referendum ballot measure with the wording "BALLOT QUESTION. . .". Ballot questions shall be numbered sequentially starting from the number 1 for the first ballot question certified to be on the ballot after the effective date provided in section 47. Ballot questions which are certified to appear on the ballot in general elections in subsequent years shall be numbered sequentially beginning with the first number after the number of the last ballot question at the last general election. The order shall be assigned by the secretary of state in the order that it is finally determined that each question will be placed on the statewide ballot at the next general election.

Sec. 26. [3B.24] [BALLOTS, VOTING AND CANVASING OF INITIATIVE AND REFERENDUM QUESTIONS.] On all initiative and referendum measures, the ballots shall be

prepared, voting conducted, results canvassed, contests conducted and results certified as provided by chapters 200 to 211.

Sec. 27. [3B.25] [TIME OF ELECTION ON INITIATIVE AND REFERENDUM QUESTIONS.] *Voting upon initiative and referendum questions shall be held only at a general election.*

Sec. 28. [3B.26] [SIMULTANEOUS PETITIONS FOR INITIATIVE AND REFERENDUM MEASURES.] *Nothing shall prevent multiple simultaneous petition drives involving identical initiative and referendum petitions whether by the same or different sponsors. However, the first determination by the secretary of state of the sufficiency of the signatures for one measure shall automatically constitute abandonment of the other petition drives as of the date of the secretary's determination.*

Sec. 29. [3B.27] [COSTS OF COUNTY AUDITORS TO VERIFY SIGNATURES.] *Subdivision 1. The state of Minnesota shall reimburse all county auditors for all reasonable costs of handling the petitions including the cost of verifying signatures on initiative and referendum petitions.*

Subd. 2. Each year prior to May 1, each auditor shall submit to the secretary of state a verified statement of expenditures incurred in the calendar year prior to the previous April 1. The statement shall specify how all costs were incurred.

Subd. 3. The secretary of state shall, within 30 days after receipt of each auditor's statement, pay to each county auditor the cost which the secretary determines are reasonable.

Subd. 4. The secretary of state shall, by rule, provide for the standards of what costs will be reimbursed by the state.

Sec. 30. [3B.28] [RESOLUTION OF CONFLICTS BETWEEN INITIATIVE AND REFERENDUM MEASURES.] *Subdivision 1. Nothing shall prevent petitioning for measures which are apparently in substantial conflict.*

Subd. 2. If two or more measures which substantially conflict are adopted by a vote of the people, the one receiving the highest affirmative vote shall be effective. In the event that it is finally determined that the measures received an equal number of votes, neither measure shall become effective. However, they shall again be placed on the ballot at the next general election.

Subd. 3. The supreme court shall have exclusive jurisdiction of any suit alleging that two or more adopted measures substantially conflict. A petition may be filed by any eligible voter.

A copy of the petition shall be served upon the sponsors and upon the attorney general. The attorney general shall appear and defend the effectiveness of all the measures. The supreme court shall issue its findings and conclusions within 60 days of the filing of the petition.

Subd. 4. The supreme court shall find that two or more measures substantially conflict when any material provision in one measure is irreconcilable with a material provision in another measure. Upon a finding that any provisions of measures substantially conflict, then the supreme court shall find that the entire measures conflict and state which measure prevails under the provisions of subdivision 2.

Sec. 31. [3B.29] [LIMITATION ON SUCCESSIVE INITIATIVE OR REFERENDUM MEASURES.] *Subdivision 1. An initiative or referendum petition for a measure which is substantially the same as a measure previously rejected by the people, is not valid until after another general election has intervened. Upon a finding by the secretary of state that a declaration is for a petition for a matter substantially the same as the previously rejected measure, the secretary shall, after the filing and analysis by the secretary of the final draft, strike the declaration from his or her files.*

Subd. 2. A petition is substantially the same as a measure previously rejected by the people when all material provisions of the measure are identical in substance with material provisions in the other. Differences solely in the manner in which those provisions are expressed are not material.

Sec. 32. [3B.30] [PUBLICATION OF ADOPTED INITIATIVE AND REFERENDUM MATTERS.] *Subdivision 1. Initiative measures which are adopted by the people shall be published by the revisor of statutes in the laws of Minnesota for the legislative session for the year subsequent to the year of the election at which the law is adopted. Initiative measures shall be placed in a separate section of the Laws of Minnesota and given chapter numbers by the revisor of statutes distinctive from the chapter numbers given legislative enactments by the secretary of state.*

Subd. 2. Any bill enacted by law which will be subject to referendum shall be published in the session laws as for other legislative enactments. However, if it is known prior to the publication of the Laws of Minnesota that an act will be subject to referendum the revisor of statutes shall indicate the measure, or the portion of it, that will be subject to a vote of the people. If a statute in the Minnesota Statutes will be subject to referendum, and it is known prior to the publication of the statutes. The revisor of statutes shall indicate by annotations to the appropriate portions, that the provision is subject to a vote of the people.

Subd. 3. If an initiative measure is adopted by the people, the revisor of statutes may incorporate it into the next edition of the Minnesota Statutes or the supplement to the Minnesota Statutes in the same manner as for legislative enactments.

Sec. 33. [3B.31] [LITERATURE MUST INCLUDE NAMES.] *Any person or committee who shall publish, issue, post, circulate, or cause to be published, issued, posted, circulated, other than in a newspaper as provided in section 34, any literature, campaign material, or any publication, including cards, pamphlets, flyers, signs, banners, leaflets, announcements, or other material tending to influence desire to sign or refusal to sign on initiative or referendum petition or the voting at an election on a ballot issue, which fails to prominently display the name and mailing address of the author, the name of the person or committee in whose behalf the same is published, issued, posted, or circulated, and the name and mailing address of any other person or committee causing the same to be published, issued, posted, circulated, or broadcasted shall be guilty of a misdemeanor.*

Sec. 34. [3B.32] [PAID ADVERTISEMENTS IN NEWS.] *Subdivision 1. No publisher of a newspaper, periodical, or magazine shall insert in that newspaper, magazine, or periodical, and no radio or television station shall broadcast any matter paid or to be paid for which tends or is intended to influence directly or indirectly the desire to sign or refusal to sign an initiative or referendum petition or any voting at an election on a ballot issue unless it is prominently indicated that it is a paid advertisement. There shall also be a statement of the amount paid or to be paid, or a statement that the same is to be paid at regular advertising rates, the name of the person or committee in whose behalf the matter is inserted or broadcast and of any other person or the names of the officer and the committee authorizing the publication.*

Subd. 2. To the extent that any person sells either advertising space or broadcast time used on behalf of any measure, the charges made shall not exceed the charges made for any other comparable purpose or use according to the seller's rate schedule.

Sec. 35. [3B.33] [PROHIBITIONS.] *Subdivision 1. No person shall:*

(a) *Pay compensation or expenses to employ or contract for the circulation of an initiative or referendum petition; or,*

(b) *Be paid compensation or expenses as an employee or contractor for the circulation of an initiative or referendum petition; or,*

(c) *Be paid compensation for signing an initiative or referendum petition; or,*

(d) Willfully refuse to file a statement of expenses regarding an initiative or referendum matter when required by law; or,

(e) Publish any literature, campaign material or any publication including cards, pamphlets, flyers, signs, banners, leaflets, or other material or any radio or television broadcast regarding an initiative or referendum measure which does not bear the identification required by law; or,

(f) Publish in any newspaper, periodical or magazine any matter relating to an initiative or referendum matter which does not contain the identification required by law; or,

(g) Sign a petition with a name other than his or her own name; or,

(h) Induce a person to sign a petition by fraud, force or the threat of force; or,

(i) Pay compensation for signing an initiative or referendum petition; or,

(j) Publish any information regarding an initiative or referendum matter with knowledge that it is false and which tends to substantially affect adoption or rejection of the measure.

Subd. 2. Any person violating any provision or subdivision 1, paragraphs (a), (b), (c), (d), (e) or (f) is guilty of a misdemeanor. Any person violating any provision of subdivision 1, paragraphs (g), (h), (i) or (j) is guilty of a gross misdemeanor.

Sec. 36. [3B.34] [ACTION BY AND NOTIFICATIONS TO SPONSORS.] Subdivision 1. Only sponsors, or those authorized by them in writing, may file any required filing or statement regarding initiative and referendum petitions, measures or campaigns including election contests or petition signature count or validity contests.

Subd. 2. The signature of any of the chairmen, or chairwomen, of the sponsors, or a person authorized in writing by a chairman or chairwoman, is sufficient to authorize the filing of any statement required by law. If the chairman or chairwoman authorizes another person to make filings of a copy of the authorization it shall be attached to the filed document.

Subd. 3. If notice is required to be given to the sponsors, it shall be given to those persons provided in subdivision 2 who may authorize any filing.

Sec. 37. [3B.35] [DATES OF ACTIONS.] *Subdivision 1. In sections 3 to 39, whenever an action is required to be taken on a specified date or by the end of an elapsed number of days, and that day is a Saturday, Sunday or a legal holiday, the action shall be accomplished on the next day which is not a Saturday, Sunday or a legal holiday.*

Subd. 2. In sections 3 to 39, whenever a "filing" or "receiving" is required, only physical deposit of the document with the indicated person constitutes filing or receiving. A mailing date within the time period is not sufficient.

Sec. 38. [3B.36] [JUDICIAL REVIEW OF INITIATIVE AND REFERENDUM MATTERS.] *Subdivision 1. The Supreme court shall have exclusive original jurisdiction of any suit involving:*

(a) the sufficiency of the number or validity of signatures on petitions, however, the administrative determinations by the county auditor and secretary of state must have been exhausted; or,

(b) resolution of conflicts between initiative or referendum measures as provided by section 30; or,

(c) any suit alleging the unconstitutionality of an adopted initiative or a referendum which rejects a law but only to the extent of determining that issue.

Subd. 2. Venue for all other suits and criminal prosecutions involving initiative or referendum matters shall be in the district court in Ramsey County.

Subd. 3. Suits contesting a final administrative determination of the number or validity of signatures on petitions shall be filed not later than 15 calendar days after the final determination.

Suits involving conflicts between initiative or referendum measures shall be filed prior to the effective date of the initiated measures or the effective date of repeal of referendum measures.

Subd. 4. After a law proposed by initiative becomes effective no lawsuit claiming that it is invalid except for the unconstitutionality of the statute itself. If a law is referred to and rejected by the people, no lawsuit may be filed claiming that the repeal is invalid after the date the repeal becomes effective. A court may defer the effective date of an initiative measure enactment or a referendum measure repeal for not more than six months when a deferral, in the discretion of the court, is found to be in the interest of justice.

Sec. 39. [3B.37] [INFORMATIONAL BOOKLET ON INITIATIVE AND REFERENDUM.] *Subdivision 1. The secretary of state shall prepare a comprehensive informational booklet on the initiative and referendum process. The booklet shall contain:*

(a) *A description of the procedures for preparing and circulating petitions; and,*

(b) *A description of the services available from the revisor of statutes to draft initiative measures or review and recommend changes in the citation for referendum; and,*

(c) *A description of the petition signature verification process; and,*

(d) *A description of election laws and regulations involving initiative and referendum matters; and,*

(e) *A verbatim copy of the laws relating to initiative and referendum; and,*

(f) *Other matters which, in the discretion of the secretary, are believed to increase understanding and facilitate use of the initiative and referendum.*

Subd. 2. The booklet shall be written in terms which will easily be understood by the average voter. The secretary of state may contract with professional writers, educational specialists or other persons for assistance in preparing the booklet. The booklet shall utilize appropriate techniques to facilitate reading and understanding the information contained in the booklet.

Subd. 3. Before printing the booklet, it shall be presented to the attorney general who shall examine it, and, upon finding its content to correctly state the law and any rules, shall approve it. A copy of the attorney general's approval shall be printed with the booklet.

Subd. 4. Copies of the booklet shall be sold to anyone who shall request a copy at a cost of which would be sufficient to pay the costs of composition and printing if all copies printed were sold. However, ten copies shall be distributed free of cost to members of the legislature, elected state executive officials, county auditors, and every public, college or university library in the state. The booklet may be reproduced by others provided that the reproduction is without cost to the state. Up to 500 copies of the booklet shall be given free of charge to the sponsors at the time their initiative or referendum petition is approved by the secretary of state for circulation.

Sec. 40. Minnesota Statutes, 1979 Supplement, Section 3.21, is amended to read:

3.21 [NOTICE.] At least four months preceding the election, the attorney general shall furnish to the secretary of state a statement of the purpose and effect of all amendments to the constitution proposed (SHOWING) by the legislature or statutes which will be subject to an election by virtue of an initiative or referendum petition. The statement shall show 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 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 the statement in all legal newspapers of the state. The secretary of state shall furnish the statement to the newspapers in reproducible form approved by the secretary of state, set in 7-1/2 point type on an eight point body. The maximum rate for publication shall be 17 cents per standard line in 1979 and 18 cents per standard line thereafter 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 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. 41. Minnesota Statutes 1978, Section 10A.01, Subdivision 15, is amended to read:

Subd. 15. "Political committee" means any association as defined in subdivision 3 whose major purpose is to influence the nomination 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.

"Political committee" also includes any association which is organized to influence a petition drive, as defined by section 4, subdivision 4, or a ballot issue campaign. An association is organized to influence a petition drive or ballot issue if:

(1) They are the sponsors as defined by section 4, subdivision 6; or,

(2) *They receive contributions or make expenditures in excess of \$100 to favor or oppose a petition drive or ballot issue campaign; or,*

(3) *They give implicit or explicit consent for any other person to receive contributions or make expenditures to favor or oppose a petition drive or ballot issue campaign.*

Sec. 42. Minnesota Statutes 1978, Section 10A.20, is amended by adding a subdivision to read:

Subd. 2a. In addition to the reports required by subdivision 2, a political committee which favors or opposes a petition drive or ballot issue campaign shall also file reports before five days after issuing of the notice provided for in section 12, subdivision 4.

Sec. 43. Minnesota Statutes 1978, Section 203A.31, Subdivision 2, is amended to read:

Subd. 2. [STATE PINK BALLOT.] There shall be one ballot on pink paper, hereinafter called the "pink ballot," upon which all (PROPOSITIONS AND) constitutional amendments and all initiative and referendum ballot questions to be voted upon throughout the state shall be printed so that the voters may indicate by a mark (X) either a negative or affirmative vote. *The order of the questions shall be in the order of their sequential numbers assigned pursuant to section 25.* In preparing the pink ballot the secretary of state shall apply an appropriate title to each proposition and question, which title shall be approved by the attorney general, and shall consist of not more than one printed line above the proposition or question to which it refers. (AT THE HEAD OF THE BALLOT OR IN SOME OTHER PROMINENT PLACE ON THE BALLOT THERE SHALL BE PRINTED CONSPICUOUSLY) *After each question on a constitutional amendment shall be printed a notice stating in substance that a voter's failure to vote on a constitutional amendment has the effect of a negative vote. The pink ballots shall be deposited in a separate pink ballot box. They shall be counted, canvassed and returned as in the case of white ballots, and the tally books and return blanks shall provide suitable columns and spaces therefor. The total of the "yes" votes, the total of the "no" votes, and the total number of votes cast shall be reported in the returns.*

Sec. 44. Minnesota Statutes 1978, Section 210A.26, Subdivision 3, is amended to read:

Subd. 3. [STATEMENTS OF POLITICAL COMMITTEES.] Statements shall also be made by any political committee showing the total amount of receipts and disbursements, and for what purpose such disbursements were made. Such statement

shall be filed within 30 days after any primary, municipal, or general election:

(a) When the committee is organized to support a candidate for a federal office with the filing officer of such candidate;

(b) When the committee is organized to support a candidate for a judicial district or county office with the auditor of the county in which such committee has its headquarters;

((C) WHEN THE COMMITTEE IS ORGANIZED TO SUPPORT OR OPPOSE ANY CONSTITUTIONAL AMENDMENT WITH THE SECRETARY OF STATE;)

((D)) (c) When the committee is organized to support a candidate for municipal office in municipalities having more than 20,000 population or to support or oppose propositions in elections in such municipalities with the filing officer of the municipality.

Sec. 45. Minnesota Statutes 1978, Section 645.02, is amended to read:

645.02 [EFFECTIVE DATE AND TIME OF LAWS.]
Subdivision 1. Each act (, EXCEPT ONE MAKING APPROPRIATIONS,) which is enacted finally at any session of the legislature (TAKES) shall take effect on August 1 next following its final enactment, unless a different date is specified in the act. *However, those acts which are either appropriations or special laws which name the units or counties to which they apply may be effective prior to August 1.*

Subd. 2. A special law required to be approved by the local government unit affected before it goes into effect becomes effective as to the approving unit the day following the day on which the certificate of approval prescribed by section 645.021, subdivision 1, is filed with the secretary of state, unless a later date is specified in the act. When approval of such a special law is required by two or more local government units before it may become effective, the day after the day when the last of the required certificates is filed is the effective date, unless a later date is specified in the act.

Subd. 3. An appropriation act or an act having appropriation items enacted finally at any session of the legislature takes effect at the beginning of the first day of July next following its final enactment, unless a different date is specified in the act.

Subd. 4. Any measure initiated by the people shall be effective on December 1 following the general election day at which it is finally determined to have been approved.

Subd. 5. A measure which is adopted by the legislature and referred by petition to the people shall be repealed effective on December 1 following the election day at which it is finally determined to have been rejected.

Subd. 6. Each (ACT) law takes effect at 12:01 a.m. on the day it becomes effective, unless a different time is specified in the act.

If a constitutional amendment is approved at an election, the governor shall announce by proclamation that the amendment became effective retroactive to 12:01 a.m. on the day after the election at which it was approved.

Sec. 46. If a constitutional amendment providing for initiative and referendum is ratified as provided by the constitution then sections 3 to 46 shall take effect on the date the governor announces the new amendment by proclamation as provided by section 3.20."

Further, delete the title and insert:

"A bill for an act relating to initiative and referendum; proposing an amendment to the Minnesota Constitution, Article IV, by adding sections; authorizing initiative and referendum on laws; providing a comprehensive statute implementing the amendment; providing for the manner of petitioning and voting on initiative and referendum measures; providing for disclosure of campaign costs on ballot issues; providing for judicial review; providing certain restrictions on the consideration of measures; providing penalties; making an appropriation; amending Minnesota Statutes 1978, Sections 10A.01, Subdivision 15; 10A.20, by adding a subdivision; 203A.31, Subdivision 2; 210A.26, Subdivision 3; and 645.02; and Minnesota Statutes, 1979 Supplement, Section 3.21."

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Anderson, I., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Berkelman	Dempsey	Fudro	Johnson, C.
Adams	Biersdorf	Den Ouden	Greenfield	Johnson, D.
Ainley	Blatz	Drew	Halberg	Jude
Albrecht	Brinkman	Elioff	Haukoos	Kahn
Anderson, B.	Carlson, D.	Ellingson	Heap	Kaley
Anderson, D.	Carlson, L.	Erickson	Heinitz	Kalis
Anderson, I.	Casserly	Esau	Hoberg	Kelly
Anderson, R.	Clark	Evans	Hokanson	Kempe
Battaglia	Clawson	Ewald	Jacobs	Knickerbocker
Begich	Corbid	Faricy	Jaros	Kostohryz
Berglin	Crandall	Fjoslien	Jennings	Kroening

Kvam	Minne	Patton	Sarna	Vanasek
Laidig	Moe	Pehler	Searle	Voss
Lehto	Munger	Peterson, B.	Sherwood	Waldorf
Levi	Murphy	Peterson, D.	Sieben, H.	Weaver
Long	Nelsen, B.	Piepho	Sieben, M.	Welch
Ludeman	Nelsen, M.	Pleasant	Stadum	Welker
Luknic	Niehaus	Prahl	Stowell	Wenzel
Mann	Novak	Redalen	Sviggum	Wieser
McCarron	Nysether	Reding	Swanson	Wigley
McDonald	Olsen	Rees	Thiede	Wynia
McEachern	Onnen	Rice	Tomlinson	Zubay
Mehrkens	Osthoff	Rodriguez	Valan	Spkr. Norton
Metzen	Otis	Rothenberg	Valento	

Anderson, I., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Thiede amendment and the roll was called.

Anderson, I., moved that those not voting be excused from voting. The motion did not prevail.

There were 65 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Johnson, D.	Nysether	Searles
Ainley	Evans	Kaley	Olsen	Sherwood
Albrecht	Ewald	Knickerbocker	Onnen	Stadum
Anderson, D.	Fjoslien	Kvam	Peterson, B.	Stowell
Anderson, R.	Forsythe	Laidig	Piepho	Sviggum
Biersdorf	Friedrich	Levi	Pleasant	Thiede
Blatz	Fritz	Ludeman	Redalen	Valan
Carlson, D.	Halberg	Luknic	Rees	Valento
Crandall	Haukoos	McDonald	Reif	Weaver
Dempsey	Heap	Mehrkens	Rose	Welker
Den Ouden	Heinitz	Nelsen, B.	Rothenberg	Wieser
Drew	Hoberg	Niehaus	Schreiber	Wigley
Erickson	Jennings	Norman	Searle	Zubay

Those who voted in the negative were:

Adams	Corbid	Kalis	Murphy	Sieben, H.
Anderson, B.	Dean	Kelly	Nelsen, M.	Sieben, M.
Anderson, G.	Eken	Kempe	Nelson	Simoneau
Anderson, I.	Elioff	Kostohryz	Novak	Stoa
Battaglia	Ellingson	Kroening	Osthoff	Swanson
Begich	Faricy	Lehto	Otis	Tomlinson
Berglin	Fudro	Long	Patton	Vanasek
Berkelman	Greenfield	Mann	Pehler	Voss
Brinkman	Hokanson	McCarron	Peterson, D.	Waldorf
Byrne	Jacobs	McEachern	Prahl	Welch
Carlson, L.	Jaros	Metzen	Reding	Wenzel
Casserly	Johnson, C.	Minne	Rice	Wynia
Clark	Jude	Moe	Rodriguez	Spkr. Norton
Clawson	Kahn	Munger	Sarna	

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

Clawson, Swanson and Metzen moved to amend H. F. No. 2304, as amended, as follows:

Page 2, after line 30, insert:

"The people also reserve to themselves the power on their initiative to propose ordinances and to adopt or reject them independently of the city council or county board. The power to propose ordinances includes the power to propose repeals of ordinances. An ordinance initiated by the people shall be adopted upon the affirmative vote of a majority of those voting at the election.

To invoke the local initiative, petitions signed by a number of eligible voters greater than five percent of the total vote cast for all candidates for governor in the city or county at the last preceding general election at which a governor was elected, are required.

An ordinance proposed by initiative shall be acted upon by the city council or county board within the time provided by law. If the ordinance is not acted upon by the city council or county board, the officer authorized by law shall submit the proposed ordinance to the people for approval or rejection at the next election for city council or county board members.

The city council or county board may reject any measure proposed by initiative petition and propose a different measure upon the same subject, and in that event the proposed ordinance shall not be submitted to the people for approval or rejection at the next election for city council or county board members.

An ordinance submitted to the people and approved by a majority of all the electors voting at the election shall take effect ten days after the date of the official declaration of the vote. No ordinance adopted by the people under the initiative provisions of this section shall be amended or repealed until another election for city council or county board members has intervened. If two or more ordinances approved by the people at the same election conflict, the one receiving the highest affirmative vote shall prevail."

Page 3, line 18, after "law" insert "or ordinance"

Page 13, after line 1, insert "or, in the case of a local initiative, by the city clerk or county auditor,"

Page 13, line 4, after "secretary's" insert ", clerk's or auditor's"

Page 13, line 9, after "petitions" insert "for the general election"

Page 14, line 2, after the period insert "A petition alleging a conflict between adopted local measures shall be filed in the

district court for the city or county in which the measure was adopted. A copy of the petition shall be served on the city or county attorney for the city or county in which the measure was adopted."

Page 15, after line 11, insert:

"Sec. 24. [3B.22] [PREPARATION FOR LOCAL INITIATIVE.] An initiative measure proposing a city or county ordinance may be filed with the city clerk or county auditor by any eligible voter who resides in the city or county. The measure shall be reviewed for correct form by the city or county attorney. At the sponsors' request the city or county attorney shall draft the measure within 30 days of receiving the request. The sponsors of a proposed local initiative shall also file with the city clerk or county auditor a statement of their names, mailing addresses, and telephone numbers. The measure and the sponsors' statement shall be filed not earlier than one year and not later than eight months before a regular election for city council or county board members. Nothing in sections 24 through 32 shall be construed to restrict or supersede initiative powers and procedures provided in any city charter.

Sec. 25. [3B.23] [LOCAL INITIATIVE PETITIONS.] Subdivision 1. A local initiative petition shall consist of as many copies as the sponsor prints, each of which is not more than one sheet of paper and contains the following:

(a) In 25 point bold type at the top of the front page, the printed words "LOCAL INITIATIVE PETITION";

(b) A brief impartial summary of the purpose and effect of the measure, prepared by the city or county attorney;

(c) A statement that a verbatim copy of the initiative measure as it is on file at the office of the city clerk or county auditor is available for public examination at that official's office;

(d) Space for the signatures, printed name, mailing address, county and city of residence of each petition signer, indication that the signer is an eligible voter, and the date of signing; and,

(e) An affidavit for the person circulating the petition which shall give his name and mailing address; indicate that he circulated the petition to which the affidavit is attached; that to the best of his knowledge each of the signers is an eligible voter and resident of the city or county in which the petition was circulated; and that he has received no compensation for circulating the petition.

Subd. 2. The secretary of state shall prescribe the form for local initiative petitions, a copy of which shall be available at

each county auditor's office. Upon filing the proposed initiative ordinance measure, the sponsors shall also file a copy of the petition form they intend to use, so that the clerk or auditor may approve it.

Sec. 26. [3B.24] [TIME OF CIRCULATING.] *Subdivision 1. Petitions for a local initiative may be circulated beginning at any time after the measure and sponsors' statement have been filed as provided by section 25, but not later than six months before the election at which the measure would appear on the ballot.*

Subd. 2. A local initiative petition drive may be abandoned by filing a statement to that effect with the city clerk or county auditor. Other sponsors may then begin a similar drive, but they shall not utilize any petitions collected in the original petition drive.

Sec. 27. [3B.25] [NUMBER OF SIGNATURES FOR LOCAL INITIATIVE.] *A local initiative measure shall be proposed to the city council or county board if petitions for the measure are signed by eligible voters who reside in the city or county in a number greater than five percent of the number of votes cast in the city or county for all candidates for governor at the last general election at which a governor was elected.*

A signature is valid when:

- (a) It is signed by the person named;*
- (b) It is voluntarily signed;*
- (c) No compensation has been paid to the person for the signature;*
- (d) The person was a registered voter on the date he or she signed the petition; and,*
- (e) The person is a resident of the city or county in which the petition is filed.*

Sec. 28. [3B.26] [SIGNATURE COUNT; VERIFICATION.] *Subdivision 1. Upon receipt of the completed initiative petitions, the clerk or auditor shall count the signatures. If the total number of signatures is less than the minimum required, additional signatures may be filed within 10 days after the clerk or auditor announces the total number received. If the minimum required are not filed by that date, no further action shall be taken on the petitions.*

Subd. 2. If the minimum number of signatures is filed, the clerk or auditor shall proceed to verify the signatures within 30

days of receiving them. If 500 or more signatures appear on petitions filed with a clerk or auditor, the clerk or auditor shall use the random sampling method provided for in section 29 for the verification of signatures. If fewer than 500 signatures appear on a petition filed with a clerk or auditor, the clerk or auditor shall verify all signatures.

Sec. 29. [3B.27] [RANDOM SAMPLE VERIFICATION.]
Subdivision 1. A sample of signatures to be verified shall be drawn in such a manner that every signature filed with the municipal clerk or county auditor shall be given an equal opportunity to be included in the sample. The sample shall include five percent of the signatures.

Subd. 2. If the verification from the statistical sample shows that the total number of valid signatures on all the petitions is 100 percent or more of the minimum number of signatures needed to declare the number of petition signatures to be sufficient for the city or county, the clerk or auditor shall determine the number of valid signatures to be sufficient. The number of valid signatures shall be determined by taking the total number of signatures filed and multiplying it by the percentage of signatures in the statistical sample which were found to be valid. After the verification, the clerk or auditor shall notify the sponsors either that the number of valid signatures was insufficient or, if the number is sufficient, of the number of valid signatures.

Subd. 3. If the verification from the statistical sample shows that the number of valid signatures is less than 100 percent of the minimum number of signatures needed to declare the number of petition signatures to be sufficient for the city or county, the clerk or auditor shall notify the sponsors that the number of valid petition signatures has been found to be insufficient and that additional signatures may be filed within 10 days of the clerk or auditor's determination.

Sec. 30. [3B.28] [CONTESTS.] Subdivision 1. Any eligible voter may contest the clerk or auditor's count of signatures by filing with that officer a brief statement of the reasons and evidence they believe indicate that the count is erroneous, within three days after the clerk or auditor announces the count. The contest shall be heard and determined within 21 days after it is filed. The determination by a clerk or auditor shall be in writing and is final but may be appealed to the secretary of state as provided by subdivision 3.

Subd. 2. Any eligible voter may contest the clerk or auditor's determination of the validity of any signature, within three days after the final determination, by filing a brief statement of the evidence which indicates the determination was erroneous. The clerk or auditor shall hear and determine contests within 10 days after the date of the receipt of notice of the contest. The determi-

nation of the clerk or auditor shall be in writing and is final, but may be appealed to the secretary of state as provided by subdivision 3.

Subd. 3. Within 30 days, the secretary of state shall hear and determine any contests relating to the count or determination of the validity of signatures by the municipal clerk or county auditor. The secretary may delegate the hearing and determination to another person.

Subd. 4. If the secretary of state determines that the number of petition signatures meets or exceeds the minimum, the secretary of state shall certify the sufficiency of the local initiative petitions to the sponsors and to the clerk or auditor.

Sec. 31. [3B.29] [CITY COUNCIL OR COUNTY BOARD ACTION.] *If it is determined pursuant to sections 28 to 30 that the number of valid signatures meets or exceeds the required minimum, the clerk or auditor shall forward to the city council or county board the draft of the measure prepared as provided by section 24. The city council or county board shall act upon the measure within 60 days. The measure may be adopted as an ordinance or it may be rejected and another ordinance on the same subject may be adopted instead. In either of these cases, the local initiative measure shall not appear on the ballot. If the city council or county board fails to act on the measure or rejects the measure without enacting a different ordinance on the same subject, it shall return to the city clerk or county auditor the copy of the measure forwarded to it under this section.*

Sec. 32. [3B.30] [PREPARATION OF LOCAL INITIATIVE BALLOT.] *If the city council or county board returns a local initiative measure to the clerk or auditor, the question of adoption of the measure shall be placed on the ballot at the next election for city council or county board members. The city clerk or county auditor shall prepare the ballot question, which shall be a true and impartial statement of the local initiative measure. A measure proposing a city ordinance shall be placed on the blue ballot, and a measure proposing a county ordinance shall be placed on the canary ballot. Voting, canvassing, and reporting of results on a local initiative measure shall be conducted as provided in chapters 200 to 210A."*

Renumber the remaining sections and correct internal references

Page 19, after line 19, insert "Political committee" does not include an association organized to influence a petition drive or a ballot issue campaign on a local initiative."

Page 24, line 7, after the period insert "A local initiative measure shall be effective ten days after the date of the official dec-

laration of the vote on the measure at the election at which it appeared on the ballot."

Amend the title as follows:

Page 1, line 4, after "laws" insert "and ordinances;"

Page 1, line 8, after "on" insert "statewide"

A roll call was requested and properly seconded.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order not well taken and the amendment in order.

The question was taken on the Clawson amendment and the roll was called.

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

There were 45 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Adams	Clawson	Jude	Murphy	Rodriguez
Anderson, B.	Corbid	Kahn	Nelsen, M.	Sarna
Battaglia	Drew	Kelly	Osthoff	Swanson
Begich	Elioff	Kostohryz	Otis	Tomlinson
Berkelman	Ellingson	Kroening	Patton	Waldorf
Blatz	Faricy	Lehto	Pehler	Welch
Byrne	Fritz	McEachern	Pleasant	Welker
Carlson, L.	Hokanson	Metzen	Prahl	Wenzel
Casserly	Jennings	Minne	Rice	Wieser

Those who voted in the negative were:

Aasness	Esau	Johnson, D.	Norman	Sherwood
Ainley	Evans	Kaley	Novak	Stadum
Albrecht	Ewald	Kalis	Nysether	Stoa
Anderson, D.	Fjoslien	Kempe	Olsen	Stowell
Anderson, I.	Forsythe	Knickerbocker	Onnen	Sviggum
Anderson, R.	Friedrich	Kvam	Peterson, B.	Thiede
Berglin	Fudro	Laidig	Peterson, D.	Valan
Biersdorf	Greenfield	Levi	Piepho	Valento
Brinkman	Halberg	Ludeman	Redalen	Vanasek
Carlson, D.	Haukoos	Luknic	Reding	Voss
Clark	Heap	McCarron	Rees	Weaver
Crandall	Heinitz	McDonald	Reif	Wigley
Dempsey	Hoberg	Mehrkens	Rothenberg	Wynia
Den Ouden	Jacobs	Moe	Schreiber	Zubay
Eken	Jaros	Munger	Searle	Spkr. Norton
Erickson	Johnson, C.	Niehaus	Searles	

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

Carlson, L., moved to amend H. F. No. 2304, as amended, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [INITIATIVE AND REFERENDUM STUDY COMMISSION.] *Subdivision 1. [CREATION.] A commission of 21 members is created consisting of six members of the house of representatives appointed by the speaker, six members of the senate appointed by the committee on committees, two persons appointed by the chief justice of the supreme court, and seven citizens, including the chairman, appointed by the governor.*

Subd. 2. [SCOPE OF STUDY.] The commission shall study the subjects of initiative and referendum and shall recommend whether or not an amendment should be proposed to the state constitution, providing for the powers of initiative, referendum, or both. The commission's study shall include, but not be limited to, a review of constitutional and statutory provisions on these subjects in other states and of studies and commentary on these subjects. The commission shall consider the implementation of initiative and referendum in relation to political, economic, and social changes. It shall make its final report to the governor, the legislature, and the chief justice on the day the legislature convenes for the regular session in 1981.

Subd. 3. [SUBCOMMITTEES; HEARINGS; WITNESSES.] The commission may appoint committees made up of citizens of the state to deal with particular problems or phases of its study, but there shall be at least three members of the commission on each committee. The commission and its committees may hold hearings at times and places convenient for the purpose of taking evidence and testimony to effectuate and purposes of this act.

Subd. 4. [EXPENSES PAID.] Members of the commission and its committees will serve without compensation but shall be allowed and paid their actual traveling and other expenses necessarily incurred in the performance of their duties as provided for state employees. The commission may employ expert clerical, legal and other professional aid and assistance; and may purchase stationery and other supplies; and do all things reasonably necessary and convenient in carrying out the purposes of this act.

Subd. 5. [APPROPRIATION.] The sum of \$150,000 is appropriated from the general fund to the commission for the purposes of this act. Expenses of the commission shall be approved by the chairman or another member as the rules of the commis-

sion provide and paid in the same manner that other state expenses are paid.

Sec. 2. *This act is effective the day after final enactment."*

Delete the title and insert:

"A bill for an act relating to initiative and referendum; creating an interim study commission; providing an appropriation."

A roll call was requested and properly seconded.

Halberg moved that the Carlson, L., amendment be laid on the table.

POINT OF ORDER

Tomlinson raised a point of order that the motion to lay on the table was not in order. The Speaker pro tem Faricy ruled the point of order well taken and the motion out of order.

The question was taken on the Carlson, L., amendment and the roll was called.

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

There were 23 yeas and 104 nays as follows:

Those who voted in the affirmative were:

Adams	Clark	Kahn	Moe	Rice
Berglin	Clawson	Kroening	Osthoff	Voss
Brinkman	Greenfield	Long	Otis	Welch
Carlson, L.	Jacobs	Mann	Peterson, D.	
Casserly	Jaros	Metzen	Prahl	

Those who voted in the negative were:

Aasness	Crandall	Fritz	Knickerbocker	Nelsen, B.
Ainley	Dempsey	Fudro	Kostohryz	Nelsen, M.
Albrecht	Den Ouden	Halberg	Kvam	Niehaus
Anderson, B.	Drew	Haukoos	Laidig	Norman
Anderson, D.	Eken	Heap	Lehto	Novak
Anderson, I.	Elioff	Heinitz	Levi	Nysether
Anderson, R.	Ellingson	Hoberg	Ludeman	Olsen
Battaglia	Erickson	Hokanson	Luknic	Onnen
Begich	Esau	Jennings	McCarron	Patton
Berkelman	Evans	Johnson, C.	McDonald	Pehler
Biersdorf	Ewald	Johnson, D.	McEachern	Piepho
Blatz	Faricy	Jude	Mehrkens	Pleasant
Byrne	Fjoslien	Kaley	Minne	Redalen
Carlson, D.	Forsythe	Kelly	Munger	Reding
Corbid	Friedrich	Kempe	Murphy	Rees

Reif	Searle	Stowell	Valento	Wieser
Rodriguez	Searles	Sviggum	Vanasek	Wigley
Rose	Sherwood	Swanson	Waldorf	Wynia
Rothenberg	Sieben, H.	Thiede	Weaver	Zubay
Sarna	Stadum	Tomlinson	Welker	Spkr. Norton
Schreiber	Stoa	Valan	Wenzel	

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

Thiede moved to amend H. F. No. 2304, as amended, as follows:

Page 2, line 2, after "signed" insert "by the number of eligible voters required by law, are required."

Page 2, delete lines 3 to 6 in their entirety

A roll call was requested and properly seconded.

The question was taken on the Thiede amendment and the roll was called.

Crandall moved that those not voting be excused from voting. The motion did not prevail.

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

There were 66 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kaley	Onnen	Stowell
Ainley	Evans	Knickerbocker	Peterson, B.	Sviggum
Albrecht	Ewald	Kvam	Piepho	Thiede
Anderson, D.	Fjoslien	Laidig	Pleasant	Valan
Anderson, R.	Forsythe	Levi	Redalen	Valento
Berkelman	Friedrich	Ludeman	Rees	Weaver
Biersdorf	Fritz	Luknic	Reif	Welker
Blatz	Halberg	McDonald	Rose	Wieser
Carlson, D.	Haukoos	Mehrkens	Rothenberg	Wigley
Crandall	Heap	Nelsen, B.	Schreiber	Zubay
Dempsey	Heinitz	Niehaus	Searle	
Den Ouden	Hoberg	Norman	Searles	
Drew	Jennings	Nysether	Sherwood	
Erickson	Johnson, D.	Olsen	Stadum	

Those who voted in the negative were:

Adams	Casserly	Greenfield	Kempe	Minne
Anderson, B.	Clark	Hokanson	Kostohryz	Moe
Anderson, I.	Clawson	Jacobs	Kroening	Munger
Battaglia	Corbid	Jaros	Lehto	Murphy
Begich	Eken	Johnson, C.	Long	Nelsen, M.
Berglin	Elioff	Jude	Mann	Nelson
Brinkman	Ellingson	Kahn	McCarron	Novak
Byrne	Faricy	Kalis	McEachern	Osthoff
Carlson, L.	Fudro	Kelly	Metzen	Otis

Patton	Rice	Simoneau	Voss	Spkr. Norton
Pehler	Rodriguez	Stoa	Waldorf	
Peterson, D.	Sarna	Swanson	Welch	
Prahl	Sieben, H.	Tomlinson	Wenzel	
Reding	Sieben, M.	Vanasek	Wynia	

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

Wynia moved to amend H. F. No. 2304, as amended, as follows:

Page 19, after line 19, insert:

"Sec. 31. Minnesota Statutes 1978, 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 an amount not to exceed the limits set out in section 210A.22, not subsequently reimbursed, which have been personally paid by a candidate for public office if the candidate has complied with the expenditure limitations set out in section 210A.22:

(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.

(f) No deduction shall be allowed under this subdivision to a taxpayer for expenditures to promote or defeat the certification of an initiative or referendum proposal or the passage of an initiative or referendum measure which has qualified for the general election ballot, including a proposal or measure which materially affects the property, business, or assets of a taxpayer; nor shall a deduction be allowed to a taxpayer for contributions or payments made to an individual, organization, association, corporation, or committee any part of whose activities include efforts to promote or defeat the certification of an initiative or referendum proposal or the passage of an initiative or referendum measure which has qualified for the general election ballot, including a proposal or measure which materially affects the property, business, or assets of a taxpayer.

Sec. 32. Minnesota Statutes, 1979 Supplement, Section 290.-21, Subdivision 3, is amended to read:

Subd. 3. An amount for contribution or gifts made within the taxable year:

(a) to or for the use of the state of Minnesota, or any of its political subdivisions for exclusively public purposes,

(b) to or for the use of any community chest, corporation, organization, trust, fund, association, or foundation located in and carrying on substantially all of its activities within this state, organized and operating exclusively for religious, charitable, public cemetery, scientific, literary, artistic, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual,

(c) to a fraternal society, order, or association, operating under the lodge system located in and carrying on substantially all of their activities within this state if such contributions or gifts are to be used exclusively for the purposes specified in subdivision 3(b), or for or to posts or organizations of war veterans or auxiliary units or societies of such posts or organizations, if they are within the state and no part of their net income inures to the benefit of any private shareholder or individual, or to an employee stock ownership trust as defined in section 290.01, subdivision 25. Where the beneficiaries of a stock ownership trust include the transferor, his spouse, children, grandchildren, parents, siblings or their children, the amount of the deduction shall be reduced by the product of multiplying said amount by their percentage interest in the trust,

(d) to or for the use of the United States of America for exclusively public purposes, and to or for the use of any community chest, corporation, trust, fund, association, or foundation, organized and operated exclusively for any of the purposes specified in subdivision 3(b) and (c) no part of the net earnings of which inures to the benefit of any private shareholder or individual, but not carrying on substantially all of their activities within this state, in an amount equal to the ratio of Minnesota taxable net income to total net income, provided, however, that for an individual taxpayer, the credit shall be allowed in an amount equal to the ratio of the taxpayer's gross income assignable to Minnesota to the taxpayer's gross income from all sources,

(e) to a political party, as defined in section 200.02, subdivision 7, or a political candidate, as defined in section 210A.01, or a political cause when sponsored by any party or association or committee, as defined in section 210A.01, in a maximum amount not to exceed the following:

(1) contributions made by individual natural persons, \$100,

(2) contributions made by a national committeeman, national committeewoman, state chairman, or state chairwoman of a political party, as defined in section 200.02, subdivision 7, \$1,000,

(3) contributions made by a congressional district committeeman or committee woman of a political party, as defined in section 200.02, subdivision 7, \$350,

(4) contributions made by a county chairman or a county chairwoman of a political party, as defined in section 200.02, subdivision 7, \$150;

(f) in the case of an individual, the total credit against taxable net income allowable hereunder shall not exceed 30 percent of the taxpayer's Minnesota gross income as follows:

(i) the aggregate of contributions made to organizations specified in (a), (b) and (d) shall not exceed ten percent of the taxpayer's Minnesota gross income,

(ii) the total credits under this subparagraph for any taxable year shall not exceed 20 percent of the taxpayer's Minnesota gross income. For purposes of this subparagraph, the credits under this section shall be computed without regard to any deduction allowed under subparagraph (i) but shall take into account any contributions described in subparagraph (i) which are in excess of the amount allowable as a credit under subparagraph (i);

(g) in the case of a corporation, the total credit against net income hereunder shall not exceed 15 percent of the taxpayer's taxable net income less the credits allowable under this section other than those for contributions or gifts,

provided that no credit shall be allowed to a corporation for contributions or gifts to any individual, association, corporation, committee, trust, fund, foundation, community chest, fraternal society, or organization for use in efforts to promote or defeat the certification of an initiative or referendum proposal or the passage of an initiative or referendum measure which has qualified for the general election ballot,

(h) in the case of a corporation reporting its taxable income on the accrual basis, if: (A) the board of directors authorizes a charitable contribution during any taxable year, and (B) payment of such contribution is made after the close of such taxable year and on or before the fifteenth day of the third month following the close of such taxable year; then the taxpayer may elect to treat such contribution as paid during such taxable year. The election may be made only at the time of the filing of the return for such taxable year, and shall be signified in such manner as the commissioner shall by regulations prescribe;

(i) in the case of a contribution or property placed in trust as described in section 170(f)(2) of the Internal Revenue Code of 1954, as amended through December 31, 1976, a credit shall be allowed under this subdivision to the extent that a deduction is allowable for federal income tax purposes."

Renumber remaining sections accordingly

Correct internal references

Amend the title as follows:

Page 1, line 8, after the semi-colon insert "providing that expenditures to promote or defeat a measure may not be taken as a deduction or credit against income taxes;"

Page 1, line 13, after the second semi-colon insert "290.09, Subdivision 2; 290.21, Subdivision 3;"

A roll call was requested and properly seconded.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order not well taken and the amendment in order.

Laidig moved to amend the Wynia amendment, as follows:

Page 5, line 17, after "corporation" insert "individual, organization, association, committee or non-profit organization"

Page 3, line 6, after "contributions" insert ", membership dues"

A roll call was requested and properly seconded.

The question was taken on the Laidig amendment to the Wynia amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 64 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kaley	Olsen	Sherwood
Ainley	Evans	Knickerbocker	Onnen	Stadum
Albrecht	Ewald	Kvam	Peterson, B.	Stowell
Anderson, D.	Fjoslien	Laidig	Piepho	Sviggum
Anderson, R.	Forsythe	Levi	Pleasant	Thiede
Biersdorf	Friedrich	Ludeman	Redalen	Valan
Blatz	Halberg	Luknic	Rees	Valento
Carlson, D.	Haukoos	McDonald	Reif	Weaver
Crandall	Heap	Mehrkens	Rose	Welker
Dempsey	Heinitz	Nelsen, B.	Rothenberg	Wieser
Den Ouden	Hoberg	Niehaus	Schreiber	Wigley
Drew	Jennings	Norman	Searle	Zubay
Erickson	Johnson, D.	Nysether	Searles	

Those who voted in the negative were:

Adams	Byrne	Ellingson	Johnson, C.	Lehto
Anderson, B.	Carlson, L.	Faricy	Jude	Long
Anderson, I.	Cassery	Fritz	Kahn	Mann
Battaglia	Clark	Fudro	Kalis	McCarron
Begich	Clawson	Greenfield	Kelly	McEachern
Berglin	Corbid	Hokanson	Kempe	Metzen
Berkelman	Eken	Jacobs	Kostohryz	Minne
Brinkman	Elioff	Jaros	Kroening	Moe

Munger	Otis	Rice	Stoa	Welch
Murphy	Patton	Rodriguez	Swanson	Wenzel
Nelsen, M.	Pehler	Sarna	Tomlinson	Wynia
Nelson	Peterson, D.	Sieben, H.	Vanasek	Spkr. Norton
Novak	Prahl	Sieben, M.	Voss	
Osthoff	Reding	Simoneau	Waldorf	

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

Olsen moved to amend the Wynia amendment, as follows:

Page 3, line 18 to Page 6, line 29, delete Section 32, from the amendment

A roll call was requested and properly seconded.

The question was taken on the Olsen amendment to the Wynia amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Jennings	Norman	Searles
Ainley	Esau	Johnson, D.	Nysether	Sherwood
Albrecht	Evans	Kaley	Olsen	Stadum
Anderson, D.	Ewald	Knickerbocker	Onnen	Stowell
Anderson, R.	Fjoslien	Kvam	Peterson, B.	Sviggum
Biersdorf	Forsythe	Laidig	Piepho	Thiede
Blatz	Friedrich	Levi	Pleasant	Valan
Carlson, D.	Fritz	Ludeman	Redalen	Valento
Crandall	Halberg	Luknic	Rees	Weaver
Dean	Haukoos	McDonald	Reif	Welker
Dempsey	Heap	Mehrkens	Rose	Wieser
Den Ouden	Heinitz	Nelsen, B.	Rothenberg	Zubay
Drew	Hoberg	Niehaus	Searle	

Those who voted in the negative were:

Adams	Corbid	Kelly	Nelsen, M.	Sieben, M.
Anderson, B.	Eken	Kempe	Nelson	Simoneau
Anderson, G.	Elioff	Kostohryz	Novak	Stoa
Anderson, I.	Ellingson	Kroening	Osthoff	Swanson
Battaglia	Faricy	Lehto	Otis	Tomlinson
Begich	Fudro	Long	Patton	Vanasek
Berglin	Greenfield	Mann	Pehler	Voss
Berkelman	Hokanson	McCarron	Peterson, D.	Waldorf
Brinkman	Jacobs	McEachern	Prahl	Weich
Byrne	Jaros	Metzen	Reding	Wenzel
Carlson, L.	Johnson, C.	Minne	Rice	Wigley
Casserly	Jude	Moe	Rodriguez	Wynia
Clark	Kahn	Munger	Sarna	Spkr. Norton
Clawson	Kalis	Murphy	Sieben, H.	

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

The question recurred on the Wynia amendment and the roll was called.

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

There were 68 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Kelly	Nelson	Sieben, M.
Anderson, B.	Eken	Kempe	Novak	Simoneau
Anderson, G.	Elioff	Kostohryz	Nysether	Stoa
Anderson, R.	Ellingson	Kroening	Osthoff	Swanson
Battaglia	Faricy	Long	Otis	Tomlinson
Begich	Fudro	Mann	Patton	Vanasek
Berglin	Greenfield	McCarron	Pehler	Voss
Berkelman	Hokanson	McEachern	Peterson, D.	Waldorf
Brinkman	Jacobs	Metzen	Prahl	Welch
Byrne	Jaros	Minne	Reding	Wenzel
Carlson, L.	Johnson, C.	Moe	Rice	Wynia
Casserly	Jude	Munger	Rodriguez	Spkr. Norton
Clark	Kahn	Murphy	Sarna	
Clawson	Kalis	Nelsen, M.	Sieben, H.	

Those who voted in the negative were:

Aasness	Evans	Kaley	Onnen	Stadum
Ainley	Ewald	Knickerbocker	Peterson, B.	Stowell
Albrecht	Fjoslien	Kvam	Piepho	Sviggum
Anderson, D.	Forsythe	Laidig	Pleasant	Thiede
Biersdorf	Friedrich	Levi	Redalen	Valan
Blatz	Fritz	Ludeman	Rees	Valento
Carlson, D.	Halberg	Luknic	Reif	Weaver
Crandall	Haukoos	McDonald	Rose	Welker
Dempsey	Heap	Mehrkens	Rothenberg	Wigley
Den Ouden	Heinitz	Nelsen, B.	Schreiber	Zubay
Drew	Hoberg	Niehaus	Searle	
Erickson	Jennings	Norman	Searles	
Esau	Johnson, D.	Olsen	Sherwood	

The motion prevailed and the amendment was adopted.

Wynia offered a second amendment to H. F. No. 2304.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 3.9 that the amendment was not in order. Speaker pro tem Faricy ruled the point of order well taken and the amendment out of order.

Thiede and Berkelman moved to amend H. F. No. 2304, as amended, as follows:

Page 2, line 4, delete "*in each congressional district*"

Page 2, line 6, after the period insert "*Signatures shall be from eligible voters in every county of the state. For each county the number of signatures shall be greater than five percent of the votes cast for all candidates for governor in that county at the last gubernatorial election.*"

Page 6, line 11, delete "*and congressional district*"

Page 6, line 21, delete "*congressional district*" and insert "*county*"

Page 8, line 10, delete "*congressional district*" and insert "*county*"

Page 8, line 11, delete "*congressional district*" and insert "*county*"

Page 8, lines 13 and 14, delete "*congressional district*" and insert "*county*"

Page 9, lines 15 and 16, delete "*congressional district*" and insert "*county*"

Page 10, lines 10 and 11, delete "*congressional district*" and insert "*county*"

Page 10, line 22, delete "*congressional district*" and insert "*county*"

A roll call was requested and properly seconded.

The question was taken on the Thiede and Berkelman amendment and the roll was called.

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

There were 84 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Aasness	Clawson	Friedrich	Knickerbocker	Niehaus
Ainley	Crandall	Halberg	Kvam	Norman
Albrecht	Dempsey	Haukoos	Laidig	Nysether
Anderson, D.	Den Ouden	Heap	Levi	Olsen
Anderson, G.	Eken	Heinitz	Ludeman	Onnen
Anderson, R.	Elihoff	Hoberg	Luknic	Otis
Battaglia	Erickson	Jennings	Mann	Peterson, B.
Begich	Esau	Johnson, C.	McDonald	Piepho
Berkelman	Evans	Johnson, D.	McEachern	Pleasant
Biersdorf	Ewald	Jude	Mehrkens	Prahl
Blatz	Fjoslien	Kaley	Murphy	Redalen
Carlson, D.	Forsythe	Kalis	Nelsen, B.	Reding

Rees	Searle	Sviggum	Vanasek	Wenzel
Reif	Searles	Thiede	Voss	Wieser
Rose	Sherwood	Tomlinson	Weaver	Wigley
Rothenberg	Stadum	Valan	Welch	Zubay
Schreiber	Stowell	Valento	Welker	

Those who voted in the negative were:

Adams	Drew	Kempe	Nelsen, M.	Sieben, H.
Anderson, B.	Ellingson	Kostohryz	Nelson	Sieben, M.
Anderson, I.	Faricy	Kroening	Novak	Simoneau
Berglin	Fritz	Lehto	Osthoff	Stoa
Brinkman	Greenfield	Long	Patton	Swanson
Byrne	Hokanson	McCarron	Pehler	Waldorf
Carlson, L.	Jacobs	Metzen	Peterson, D.	Wynia
Casserly	Jaros	Minne	Rice	Spkr. Norton
Clark	Kahn	Moe	Rodriguez	
Corbid	Kelly	Munger	Sarna	

The motion prevailed and the amendment was adopted.

Thiede, Searles and Norman moved to amend H. F. No. 2304, as amended, as follows:

Page 2, after line 6, insert:

"A measure proposed by initiative petition shall be forwarded to the legislature following certification by the state officer authorized by law that the petition has been validly signed by the required number of eligible voters.

Upon receipt, the legislature shall adopt, modify or reject a measure proposed by initiative petition during the biennial session in which that measure was forwarded to the legislature.

If the legislature adopts the measure as proposed, without modification, the state officer authorized by law shall submit the proposed law to the people for approval or rejection at the next general election.

If the legislature modifies or rejects a measure proposed by initiative petition, the state officer authorized by law shall submit the original measure and any modified measure proposed by the legislature to the people for approval or rejection at the next general election.

If an original measure and a modified measure proposed by the legislature are both approved, that receiving the highest affirmative vote shall prevail."

Page 2, delete lines 7 to 19, in their entirety

Page 3, line 8, after "an" insert "indirect"

Page 5, lines 23 and 24, delete "*in the event the legislature does not act on the measure*"

Page 11, line 12, after the period insert:

"Prior to adjournment sine die, the measure shall be reported to each house of the legislature and shall be adopted, modified or rejected by roll call vote in each house."

Page 11, line 13, delete "*enact*" and insert "*pass*"

Page 11, lines 14 and 15 delete "*into law and provide for its effective date*" and insert "*and return it to the secretary of state for placement on the ballot for the next general election*"

Page 11, line 17, delete "*enact*" and insert "*pass*"

Page 11, line 18, delete "*law*" and insert "*proposal*"

Page 11, line 18, delete "*, which shall become*"

Page 11, delete lines 19 and 20 in their entirety

Page 11, line 21, delete everything before the period

Page 11, line 23, delete "*enacting a different law*" and insert "*passing a different proposal*"

Page 11, line 26, before the period insert "*, for placement on the ballot for the next general election*"

Page 11, line 26, after the period insert "*If the legislature rejects the initiative measure and passes a different proposal on the same subject, both the original initiative measure and the legislative proposal shall be returned to the secretary of state for placement on the ballot for the next general election.*"

Page 11, line 27, delete "*If*" and insert "*When*"

Page 11, line 31, after the period insert "*If the legislature returns an original initiative measure and a legislative proposal on the same subject, the secretary of state shall place both on the ballot for the next general election as separate questions.*"

Page 15, line 10, delete everything after the period

Page 15, delete line 11 in its entirety

A roll call was requested and properly seconded.

Tomlinson moved to amend the Thiede, Searles and Norman amendment, as follows:

In the amendment, page 1, delete:

"If the legislature adopts the measure as proposed, without modification, the state officer authorized by law shall submit the proposed law to the people for approval or rejection at the next general election."

Page 2, delete:

"Page 11, line 13, delete *"enact"* and insert *"pass"*

Page 11, lines 14 and 15 delete *"into law and provide for its effective date"* and insert *"and return it to the secretary of state for placement on the ballot for the next general election"*

Page 11, line 17, delete *"enact"* and insert *"pass"*

Page 11, line 18, delete *"law"* and insert *"proposal"* "

A roll call was requested and properly seconded.

The question was taken on the Tomlinson amendment to the Thiede, Searles and Norman amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 72 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Adams	Dean	Jude	Murphy	Schreiber
Anderson, B.	Dempsey	Kahn	Nelsen, M.	Sieben, M.
Anderson, G.	Eken	Kalis	Niehaus	Simoneau
Battaglia	Elioff	Kelly	Novak	Stoa
Begich	Ellingson	Kempe	Onnen	Sviggum
Berglin	Erickson	Kostohryz	Osthoff	Swanson
Berkelman	Faricy	Kroening	Patton	Tomlinson
Blatz	Fudro	Lehto	Pehler	Vanasek
Brinkman	Greenfield	Long	Peterson, D.	Voss
Byrne	Halberg	Mann	Piepho	Welch
Carlson, L.	Hokanson	McCarron	Prahl	Wynia
Casserly	Jacobs	McEachern	Rees	Spkr. Norton
Clark	Jaros	Metzen	Rice	
Clawson	Johnson, C.	Minne	Rodriguez	
Corbid	Johnson, D.	Munger	Sarna	

Those who voted in the negative were:

Aasness	Anderson, D.	Biersdorf	Den Ouden	Evans
Ainley	Anderson, I.	Carlson, D.	Drew	Ewald
Albrecht	Anderson, R.	Crandall	Esau	Fjoslien

Forsythe	Kvam	Norman	Rose	Valan
Friedrich	Laidig	Nysether	Rothenberg	Valento
Fritz	Levi	Olsen	Searle	Waldorf
Heap	Ludeman	Otis	Searles	Weaver
Heinitz	Luknic	Peterson, B.	Sherwood	Welker
Hoberg	McDonald	Pleasant	Sieben, H.	Wenzel
Jennings	Mehrkens	Redalen	Stadum	Wieser
Kaley	Moe	Reding	Stowell	Wigley
Knickerbocker	Nelsen, B.	Reif	Thiede	Zubay

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

The question recurred on the Thiede, Searles and Norman amendment, as amended, and the roll was called.

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

There were 82 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kelly	Olsen	Stowell
Ainley	Ewald	Kempe	Onnen	Sviggum
Albrecht	Faricy	Knickerbocker	Patton	Thiede
Anderson, B.	Fjoslien	Kvam	Peterson, B.	Tomlinson
Anderson, D.	Forsythe	Laidig	Piepho	Valan
Anderson, R.	Friedrich	Lehto	Pleasant	Valento
Biersdorf	Fritz	Levi	Redalen	Weaver
Blatz	Halberg	Ludeman	Reding	Welker
Carlson, D.	Haukoos	Luknic	Rees	Wenzel
Clawson	Heap	McDonald	Reif	Wieser
Crandall	Heinitz	McEachern	Rose	Wigley
Dean	Hoberg	Mehrkens	Rothenberg	Wynia
Dempsey	Hokanson	Minne	Schreiber	Zubay
Den Ouden	Jennings	Nelsen, B.	Searle	Sprk. Norton
Drew	Johnson, D.	Niehaus	Searles	
Erickson	Jude	Norman	Sherwood	
Esau	Kaley	Nysether	Stadum	

Those who voted in the negative were:

Adams	Casserly	Kahn	Murphy	Sarna
Anderson, G.	Clark	Kalis	Nelson	Sieben, H.
Anderson, I.	Corbid	Kostohryz	Novak	Sieben, M.
Battaglia	Eken	Kroening	Osthoff	Simoneau
Begich	Elioff	Long	Otis	Stoa
Berglin	Ellingson	Mann	Pehler	Swanson
Berkelman	Fudro	McCarron	Peterson, D.	Vanasek
Brinkman	Greenfield	Metzen	Prahl	Voss
Byrne	Jacobs	Moe	Rice	Waldorf
Carlson, L.	Jaros	Munger	Rodriguez	Welch

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

Thiede moved to amend H. F. No. 2304, as amended, as follows:

Page 3, line 32, delete "and after August 1 in calendar year 1980"

Page 7, line 13, delete "or calendar year 1980"

Page 7, lines 32 and 33, delete "; provided that petitions which are signed in calendar year 1980 are not"

Page 8, line 1, delete "invalid until December 31, 1981"

Page 24, delete lines 9 to 12 in their entirety and insert "the governor announces the adoption of the new amendment by proclamation as provided by section 3.20 but shall expire on"

A roll call was requested and properly seconded.

The question was taken on the Thiede amendment and the roll was called.

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

There were 75 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kalis	Nysether	Sherwood
Ainley	Evans	Kelly	Olsen	Sieben, M.
Albrecht	Ewald	Knickerbocker	Onnen	Stadum
Anderson, D.	Faricy	Kvam	Peterson, B.	Stowell
Anderson, R.	Fjoslien	Laidig	Peterson, D.	Sviggum
Berkelman	Forsythe	Lehto	Piepho	Thiede
Biersdorf	Friedrich	Levi	Pleasant	Tomlinson
Blatz	Fritz	Ludeman	Redalen	Valan
Carlson, D.	Haukoos	Luknic	Rees	Valento
Crandall	Heap	McDonald	Reif	Waldorf
Dean	Heinitz	Mehrkens	Rose	Weaver
Dempsey	Hoberg	Murphy	Rothenberg	Wenzel
Den Ouden	Jennings	Nelsen, B.	Schreiber	Wieser
Drew	Johnson, D.	Niehaus	Searle	Wigley
Erickson	Kaley	Norman	Searles	Zubay

Those who voted in the negative were:

Adams	Clawson	Kahn	Nelson	Simoneau
Anderson, B.	Corbid	Kempe	Novak	Stoa
Anderson, G.	Eken	Kostohryz	Osthoff	Swanson
Anderson, I.	Elioff	Kroening	Otis	Vanasek
Battaglia	Ellingson	Mann	Patton	Voss
Begich	Fudro	McCarron	Pehler	Welch
Berglin	Greenfield	McEachern	Prahl	Wynia
Brinkman	Hokanson	Metzen	Reding	Spkr. Norton
Byrne	Jacobs	Minne	Rice	
Carlson, L.	Jaros	Moe	Rodriguez	
Casserly	Johnson, C.	Munger	Sarna	
Clark	Jude	Nelsen, M.	Sieben, H.	

The motion prevailed and the amendment was adopted.

H. F. No. 2304, A bill for an act relating to initiative; proposing an amendment to the Minnesota Constitution, Article VII by adding a section; authorizing initiative on laws; providing a statute implementing the amendment; providing for the manner of petitioning and voting on initiative measures; providing for disclosure of campaign costs on ballot issues; providing that expenditures to promote or defeat a measure may not be taken as a deduction or credit against income taxes; providing for judicial review; providing penalties; amending Minnesota Statutes 1978, Sections 10A.01, Subdivision 15; 10A.20, by adding a subdivision; 203A.31, Subdivisions 2 and 3; 204A.24; 204A.40, Subdivision 2; 204A.53, Subdivision 3; 290.09, Subdivision 2; 290.21, Subdivision 3; and 645.02.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kempe	Niehaus	Sherwood
Ainley	Ewald	Knickerbocker	Norman	Sieben, M.
Albrecht	Fjoslien	Kostohryz	Novak	Stadum
Anderson, B.	Forsythe	Kvam	Nysether	Stowell
Anderson, D.	Friedrich	Laidig	Olsen	Sviggum
Anderson, R.	Fritz	Lehto	Onnen	Swanson
Berkelman	Halberg	Levi	Pehler	Thiede
Biersdorf	Haukoos	Ludeman	Peterson, B.	Tomlinson
Blatz	Heap	Luknic	Piepho	Valan
Carlson, D.	Heinitz	Mann	Redalen	Valento
Clawson	Hoberg	McCarron	Reding	Waldorf
Crandall	Hokanson	McDonald	Rees	Weaver
Dean	Jennings	McEachern	Reif	Welch
Dempsey	Johnson, C.	Mehrkens	Rose	Welker
Den Ouden	Johnson, D.	Metzen	Rothenberg	Wenzel
Drew	Jude	Murphy	Schreiber	Wieser
Erickson	Kaley	Nelsen, B.	Searle	Wigley
Esau	Kelly	Nelsen, M.	Searles	Zubay

Those who voted in the negative were:

Adams	Casserly	Jacobs	Nelson	Sarna
Anderson, G.	Clark	Jaros	Osthoff	Sieben, H.
Anderson, I.	Corbid	Kahn	Otis	Simoneau
Battaglia	Eken	Kalis	Patton	Stoa
Begich	Elioff	Kroening	Peterson, D.	Vanasek
Berglin	Ellingson	Long	Pleasant	Voss
Brinkman	Faricy	Minne	Prahl	Wynia
Byrne	Fudro	Moe	Rice	Spkr. Norton
Carlson, L.	Greenfield	Munger	Rodriguez	

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

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1847, A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clawson moved that the House refuse to concur in the Senate amendments to H. F. No. 1847, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1201, A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; stating the evidentiary effect of certain blood tests; altering certain safety requirements and motor noise limits; providing an outline for distributing water safety enforcement funds; appropriating money; amending Minnesota Statutes 1978, Sections 361.02, by adding subdivisions; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.18; 361.20; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; 361.27, Subdivision

1; and 361.29, Subdivision 4; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

PATRICK E. FLAHAVER, Secretary of the Senate

Carlson, D., moved that the House refuse to concur in the Senate amendments to H. F. No. 1201, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1931, A bill for an act relating to Ramsey County; simplifying the numbering of the county code; amending Laws 1974, Chapter 435, Articles I to IV, as amended.

PATRICK E. FLAHAVER, Secretary of the Senate

Wynia moved that the House refuse to concur in the Senate amendments to H. F. No. 1931, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2040, A bill for an act relating to government data; providing definitions; classifying data as public, private, confidential, non-public, or protected non-public; amending Minnesota Statutes 1978, Sections 15.162, by adding subdivisions; 15.165, Subdivision 3; 600.23, Subdivision 3; and Chapter 15, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.163, Subdivisions 3, 5, 9; 15.1642, Subdivisions 1 and 5; 15.166, Subdivision 4; 15.1692, Subdivision 2, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1698, Subdivision 1, and by adding subdivisions; repealing Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 4.

PATRICK E. FLAHAVER, Secretary of the Senate

Stoa moved that the House refuse to concur in the Senate amendments to H. F. No. 2040, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1612, A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing property tax relief; excepting the conveyance of certain land from restrictions on the filing and recording of conveyances; modifying the policy statement for municipal planning and development; appropriating money; amending Minnesota Statutes 1978, Sections 462.351; and 462.358, Subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Schreiber moved that the House refuse to concur in the Senate amendments to H. F. No. 1612, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 133:

Ellingson, Greenfield, and Dempsey.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 729:

Greenfield, Clark, and Drew.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 874:

Kroening, Casserly, and Crandall.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1201:

Carlson, D.; Kahn; and Munger.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1302:

Ellingson, Wynia, and Blatz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1534:

Weaver, Clawson, and Reding.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1649:

Welch, Mann, and Nelsen, B.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1662:

Berglin, Minne, and Laidig.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1731:

Niehaus, Pleasant, and Rodriguez.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1813:

Anderson, B.; Sviggum; and Voss.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1816:

Clawson, Laidig, and Moe.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1847:

Clawson, Onnen, and Berkelman.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1931:

Wynia, Levi, and Greenfield.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2040:

Stoa, Hokanson, and Dempsey.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2095:

Greenfield, Long, and Peterson, B.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2470:

Voss; Anderson, D.; Sieben, M.; Anderson, R.; and Anderson, G.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1612:

Schreiber, Levi, and Casserly.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 11:00 a.m., Wednesday, April 2, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Wednesday, April 2, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-SECOND DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 2, 1980

The House of Representatives convened at 11:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Eken	Kaley	Niehaus	Sieben, H.
Adams	Elioff	Kalis	Norman	Sieben, M.
Ainley	Ellingson	Kelly	Novak	Simoneau
Albrecht	Erickson	Kempe	Nysether	Stadum
Anderson, B.	Esau	Knickerbocker	Olsen	Stowell
Anderson, D.	Evans	Kostohryz	Onnen	Sviggum
Anderson, G.	Ewald	Kroening	Osthoff	Swanson
Anderson, I.	Faricy	Kvam	Otis	Thiede
Anderson, R.	Fjoslien	Laidig	Patton	Tomlinson
Battaglia	Forsythe	Lehto	Pehler	Valan
Begich	Friedrich	Levi	Peterson, B.	Valento
Berglin	Fritz	Long	Peterson, D.	Vanasek
Berkelman	Fudro	Ludeman	Piepho	Voss
Biersdorf	Greenfield	Luknic	Pleasant	Waldorf
Blatz	Halberg	Mann	Redalen	Weaver
Brinkman	Haukoos	McCarron	Reding	Welch
Byrne	Heap	McDonald	Rees	Welker
Carlson, D.	Heinitz	McEachern	Reif	Wenzel
Carlson, L.	Hoberg	Mehrkens	Rice	Wieser
Casserly	Hokanson	Metzen	Rodriguez	Wigley
Clark	Jacobs	Minne	Rose	Wynia
Clawson	Jaros	Moe	Rothenberg	Zubay
Corbid	Jennings	Munger	Sarna	Spkr. Norton
Crandall	Johnson, C.	Murphy	Schreiber	
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Searles	
Drew	Kahn	Nelson	Sherwood	

A quorum was present.

Dean and Prahl were excused. Stoa was excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. No. 2304 and S. F. Nos. 1638, 2128, 2170, 2217, 2181, 2085, 994, 2281 and 2375 have been placed in the members' files.

S. F. No. 2375 and H. F. No. 2284, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Casserly moved that the rules be so far suspended that S. F. No. 2375 be substituted for H. F. No. 2284 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 1, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1207, relating to motor vehicles; excluding owners of certain trailers from the requirement to furnish evidence of security;

H. F. No. 1408, relating to motor vehicles; providing for the proration of taxes on certain vehicles on the basis of the registration period; providing for the issuance and use of certain motor vehicle dealer plates; adjusting the bond provisions for certain dealers; authorizing dealers' licenses for the sale of motorized bicycles; specifying grounds for suspension and revocation of dealers' licenses;

H. F. No. 1732, relating to motor vehicle carriers; defining courier services carrier; providing the procedures for granting permits to courier services carriers; excluding courier service carriers from the term regular route common carrier;

H. F. No. 1834, relating to education; adding the commissioner of agriculture to the equalization aid review committee;

H. F. No. 2024, relating to the city of Hibbing; authorizing development and administration of a housing program within the city, including that part of the city which formerly comprised the town of Stuntz.

H. F. No. 2047, relating to state government; raising the limit on the balance allowed to remain in the state auditor's revolving fund; empowering the state auditor to establish a personnel recruitment, hiring, promotional, and salary plan with the approval of the commissioner of the department of personnel.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

March 31, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	593	394	March 31	March 31
	711	395	March 31	March 31
	924	396	March 31	March 31
	942	397	March 31	March 31
	1349	398	March 31	March 31
	1427	399	March 31	March 31

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	1601	400	March 31	March 31
	1623	401	March 31	March 31
	1695	402	March 31	March 31
	1778	403	March 31	March 31
	1846	404	March 31	March 31
	1985	405	March 31	March 31
	2051	406	March 31	March 31
	2119	407	March 31	March 31
	2135	408	March 31	March 31
	2222	409	March 31	March 31
	2287	410	March 31	March 31
801		411	March 31	March 31
802		412	March 31	March 31
1584		413	March 31	March 31
1633		414	March 31	March 31
1674		415	March 31	March 31
1707		416	March 31	March 31
1709		417	March 31	March 31
1719		418	March 31	March 31
1807		419	March 31	March 31
1815		420	March 31	March 31
1847		421	March 31	March 31
1957		422	March 31	March 31
1963		423	March 31	March 31

92nd Day]

WEDNESDAY, APRIL 2, 1980

6161

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
1979		424	March 31	March 31
2102		425	March 31	March 31

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

SECOND READING OF SENATE BILLS

S. F. No. 2375 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Erickson; Niehaus; Anderson, D.; Mehrkens and Biersdorf introduced:

H. F. No. 2491, A resolution memorializing the President and Congress to take immediate action to provide necessary and adequate credit to the American farmer to ensure timely spring planting.

The bill was read for the first time and referred to the Committee on Agriculture.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1655, A bill for an act relating to pollution; recognizing the extent and severity of the problem of acid precipitation; appropriating funds and designating state agencies and departments to conduct activities designed to identify, control and abate acid precipitation.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 475, A bill for an act relating to hospitals; requiring adoption of federal medicare standards for hospital licensing; regulating hospital inspections; providing for licensing of hospitals accredited by the joint commission on hospital accreditation; amending Minnesota Statutes 1978, Sections 144.55; and 144.50, Subdivision 1.

The Senate has appointed as such committee Messrs. Nelson, Perpich, Kirchner, Sikorski and Mrs. Staples.

House File No. 475 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1435, A bill for an act relating to health; exempting out of state physicians from licensing regulations under certain conditions; amending Minnesota Statutes 1978, Section 147.09.

The Senate has appointed as such committee Mrs. Knaak, Messrs. Merriam and Gunderson.

House File No. 1435 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1453, A bill for an act relating to retirement; authorizing payment of severance pay to retiring employees; validating past payments; amending Minnesota Statutes 1978, Section 356.24; and Minnesota Statutes, 1979 Supplement, Section 465.72.

The Senate has appointed as such committee Messrs. Setzepfandt, Peterson and Ogdahl.

House File No. 1453 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1818, A bill for an act relating to game and fish; authorizing moose seasons in the discretion of the commissioner; granting preference to landowners in obtaining moose licenses; amending Minnesota Statutes 1978, Section 100.27, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 100.271, Subdivision 1.

The Senate has appointed as such committee Messrs. Peterson, Lessard and Bernhagen.

House File No. 1818 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 644, A bill for an act relating to health; prohibiting applicants for certain dental licenses who fail a clinical examination twice from further taking the examination without additional education and training; requiring the board of dentistry to promulgate rules establishing requirements for this education and training; requiring licensed dentists, dental hygienists and registered dental assistants to inform the board of dentistry when changing addresses; setting standards for the names under which dentists may practice; authorizing the board of dentistry to promulgate rules governing advertising by dentists; authorizing the board of medical examiners to promulgate rules governing advertising by physicians; establishing penalties; amending Minnesota Statutes 1978, Chapter 147, by adding a section; Sections 150A.06, Subdivisions 1, 2 and 2a; 150A.09, Subdivision 3; and 150A.11, Subdivisions 1 and 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Berkelman moved that the House refuse to concur in the Senate amendments to H. F. No. 644, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1956, A bill for an act relating to real estate; providing for a state land registration assurance fund; combining the tax forfeited land assurance account with the land registration assurance fund; eliminating separate county assurance funds; appropriating money; amending Minnesota Statutes 1978, Sections 284.28, Subdivisions 8, 9 and 10; 508.75; 508.77; 508.79; 508.82; and 541.024, Subdivision 1; repealing Minnesota Statutes 1978, Section 508.83.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Casserly moved that the House concur in the Senate amendments to H. F. No. 1956 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1956, A bill for an act relating to real estate; providing for a state land registration assurance fund; combining the tax forfeited land assurance account with the land registration assurance fund; eliminating separate county assurance funds; empowering the commissioner of banks to clear certain title defects involving a defunct state agency; appropriating money; amending Minnesota Statutes 1978, Sections 284.28, Subdivisions 8, 9 and 10; 508.75; 508.77; 508.79; 508.82; and 541.024, Subdivision 1; and Laws 1980 Chapter 373, Section 8; repealing Minnesota Statutes 1978, Section 508.83.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Ainley	Anderson, B.	Anderson, G.	Anderson, R.
Adams	Albrecht	Anderson, D.	Anderson, I.	Battaglia

Begich	Ewald	Kempe	Nelson	Schreiber
Berglin	Faricy	Knickerbocker	Niehaus	Searles
Berkelman	Fjoslien	Kostohryz	Norman	Sherwood
Biersdorf	Forsythe	Kroening	Novak	Sieben, H.
Blatz	Friedrich	Kvam	Nysether	Sieben, M.
Brinkman	Fritz	Laidig	Olsen	Simoneau
Byrne	Fudro	Lehto	Onnen	Stadum
Carlson, D.	Greenfield	Levi	Osthoff	Sviggum
Carlson, L.	Halberg	Long	Otis	Swanson
Casserly	Haukoos	Ludeman	Patton	Tomlinson
Clark	Heap	Luknic	Pehler	Valan
Clawson	Heinitz	Mann	Peterson, B.	Valento
Corbid	Hoberg	McCarron	Peterson, D.	Vanasek
Crandall	Hokanson	McDonald	Piepho	Voss
Dempsey	Jacobs	McEachern	Pleasant	Waldorf
Den Ouden	Jennings	Mehrkens	Redalen	Weaver
Drew	Johnson, C.	Metzen	Reding	Welch
Eken	Johnson, D.	Minne	Rees	Wenzel
Elioff	Jude	Moe	Reif	Wieser
Ellingson	Kahn	Munger	Rodriguez	Wigley
Erickson	Kaley	Murphy	Rose	Wynia
Esau	Kalis	Nelsen, B.	Rothenberg	Zubay
Evans	Kelly	Nelsen, M.	Sarna	Spkr. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1895, A bill for an act relating to human rights; further defining certain unfair discriminatory practices related to reprisals; defining the scope of a class for class action suits; increasing a penalty by increasing allowable punitive damages; amending Minnesota Statutes 1978, Sections 363.03, Subdivision 7; 363.071, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 363.06, Subdivision 4.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Wynia moved that the House concur in the Senate amendments to H. F. No. 1895 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1895, A bill for an act relating to human rights; defining an unfair employment practice; further defining certain unfair discriminatory practices related to reprisals; defining the scope of a class for class action suits; increasing a penalty by increasing allowable punitive damages; amending Minnesota Statutes 1978, Sections 363.03, Subdivisions 1 and 7; 363.071,

Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 363.06, Subdivision 4.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Johnson, D.	Nelsen, B.	Schreiber
Adams	Drew	Jude	Nelsen, M.	Searle
Ainley	Eken	Kahn	Niehaus	Searles
Albrecht	Elioff	Kaley	Norman	Sherwood
Anderson, B.	Ellingson	Kalis	Novak	Sieben, H.
Anderson, D.	Erickson	Kelly	Nysether	Sieben, M.
Anderson, G.	Esau	Kempe	Olsen	Stadum
Anderson, I.	Evans	Knickerbocker	Onnen	Stowell
Anderson, R.	Ewald	Kroening	Osthoff	Sviggum
Battaglia	Faricy	Kvam	Otis	Swanson
Begich	Fjoslien	Lehto	Patton	Tomlinson
Berglin	Forsythe	Levi	Pehler	Valan
Berkelman	Friedrich	Long	Peterson, B.	Valento
Biersdorf	Fritz	Ludeman	Peterson, D.	Vanasek
Blatz	Fudro	Luknic	Piepho	Voss
Brinkman	Greenfield	Mann	Pleasant	Weaver
Byrne	Haukoos	McCarron	Redalen	Welch
Carlson, D.	Heap	McDonald	Reding	Wenzel
Carlson, L.	Heinitz	McEachern	Rees	Wieser
Cassery	Hoberg	Mehrkens	Reif	Wigley
Clark	Hokanson	Metzen	Rice	Wynia
Clawson	Jacobs	Minne	Rodriguez	Zubay
Corbid	Jaros	Moe	Rose	Spkr. Norton
Crandall	Jennings	Munger	Rothenberg	
Dempsey	Johnson, C.	Murphy	Sarna	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1513, A bill for an act relating to the environment; regulating activities of drillers of exploratory borings; specifying the powers and duties of public officers and agencies; providing penalties; amending Minnesota Statutes 1978, Sections 156A.01; 156A.02, Subdivision 1, and by adding subdivisions; 156A.03, Subdivision 1; 156A.04; 156A.08; and Chapter 156A, by adding a section.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Munger moved that the House concur in the Senate amendments to H. F. No. 1513 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1513, A bill for an act relating to the environment; regulating activities of drillers of exploratory borings; specifying the powers and duties of public officers and agencies; providing penalties; amending Minnesota Statutes 1978, Sections 156A.01; 156A.02, Subdivision 1, and by adding subdivisions; 156A.03, Subdivision 1; 156A.04; 156A.06, Subdivision 1; 156A.08; and Chapter 156A, by adding a section.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 119 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Nelson	Searles
Adams	Eken	Kalis	Niehaus	Sherwood
Ainley	Elioff	Kelly	Norman	Sieben, H.
Anderson, B.	Ellingson	Kempe	Novak	Sieben, M.
Anderson, D.	Erickson	Knickerbocker	Nysether	Simoneau
Anderson, G.	Evans	Kostohryz	Olsen	Stadum
Anderson, I.	Ewald	Kroening	Onnen	Stowell
Anderson, R.	Faricy	Kvam	Osthoff	Sviggum
Battaglia	Fjoslien	Laidig	Otis	Swanson
Begich	Forsythe	Lehto	Patton	Thiede
Berglin	Friedrich	Levi	Pehler	Tomlinson
Berkelman	Fudro	Long	Peterson, B.	Valento
Biersdorf	Greenfield	Luknic	Peterson, D.	Vanasek
Blatz	Halberg	Mann	Piepho	Voss
Brinkman	Heap	McCarron	Pleasant	Waldorf
Byrne	Heinitz	McEachern	Redalen	Weaver
Carlson, D.	Hoberg	Mehrrens	Reding	Welch
Carlson, L.	Hokanson	Metzen	Reif	Wenzel
Casserly	Jacobs	Minne	Rice	Wieser
Clark	Jaros	Moe	Rodriguez	Wigley
Clawson	Johnson, C.	Munger	Rose	Wynia
Corbid	Johnson, D.	Murphy	Rothenberg	Zubay
Crandall	Jude	Nelsen, B.	Sarna	Sprk. Norton
Dempsey	Kahn	Nelsen, M.	Schreiber	

Those who voted in the negative were:

Albrecht	Fritz	Jennings	McDonald	Searle
Den Ouden	Haukoos	Ludeman	Rees	Welker
Esau				

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1763, A bill for an act relating to education; increasing the bonding authority of the higher education coordinating board; amending Minnesota Statutes, 1979 Supplement, Section 136A.171.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kroening moved that the House concur in the Senate amendments to H. F. No. 1763 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1763, A bill for an act relating to education; increasing the bonding authority of the higher education coordinating board; amending Minnesota Statutes, 1979 Supplement, Section 136A.171.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Jennings	Metzen	Reif
Adams	Drew	Johnson, C.	Minne	Rice
Ainley	Eken	Johnson, D.	Moe	Rodriguez
Albrecht	Elioff	Jude	Murphy	Rose
Anderson, B.	Ellingson	Kahn	Nelsen, B.	Rothenberg
Anderson, D.	Erickson	Kaley	Nelsen, M.	Sarna
Anderson, G.	Esau	Kalis	Nelson	Schreiber
Anderson, I.	Evans	Kelly	Niehaus	Searle
Anderson, R.	Ewald	Kempe	Norman	Searles
Battaglia	Farcy	Knickerbocker	Novak	Sieben, H.
Begich	Fjoslien	Kostohryz	Nysether	Sieben, M.
Berglin	Forsythe	Kroening	Olsen	Simoneau
Berkelman	Friedrich	Kvam	Onnen	Stadum
Biersdorf	Fritz	Laidig	Osthoff	Stowell
Blatz	Fudro	Lehto	Otis	Sviggum
Brinkman	Greenfield	Levi	Patton	Swanson
Byrne	Halberg	Long	Pehler	Thiede
Carlson, D.	Haukoos	Ludeman	Peterson, B.	Tomlinson
Carlson, L.	Heap	Luknic	Peterson, D.	Valan
Casserly	Heinitz	Mann	Piepho	Valento
Clark	Hoberg	McCarron	Pleasant	Vanasek
Clawson	Hokanson	McDonald	Redalen	Voss
Corbid	Jacobs	McEachern	Reding	Waldorf
Crandall	Jaros	Mehrkens	Rees	Weaver

Welch
WelkerWenzel
WieserWigley
Wynia

Zubay

Spkr. Norton

Those who voted in the negative were:

Den Ouden Sherwood

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1942, A bill for an act relating to public welfare; requiring reporting of abuse or neglect of vulnerable adults; requiring certain facilities to establish abuse prevention plans; establishing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 245.813, by adding a subdivision; and Chapter 626, by adding a section; repealing Minnesota Statutes 1978, Sections 245.813, Subdivisions 2, 3, 4, 5, 6, 7, 8, and 9; and 626.555.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hokanson moved that the House concur in the Senate amendments to H. F. No. 1942 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1942, A bill for an act relating to public welfare; requiring reporting of abuse or neglect of vulnerable adults; requiring certain facilities to establish abuse prevention plans; establishing a penalty; appropriating money; amending Minnesota Statutes 1978, Chapter 626, by adding a section; repealing Minnesota Statutes 1978, Sections 245.813 and 626.555.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness
AdamsAinley
AlbrechtAnderson, B.
Anderson, D.Anderson, G.
Anderson, I.Anderson, R.
Battaglia

Begich	Faricy	Knickerbocker	Novak	Sherwood
Berglin	Fjoslien	Kostohryz	Nysether	Sieben, H.
Berkelman	Forsythe	Kroening	Olsen	Sieben, M.
Biersdorf	Friedrich	Kvam	Onnen	Simoneau
Blatz	Fritz	Laidig	Osthoff	Stadum
Brinkman	Fudro	Lehto	Otis	Stowell
Byrne	Greenfield	Levi	Patton	Sviggum
Carlson, D.	Halberg	Long	Pehler	Swanson
Carlson, L.	Haukoos	Ludeman	Peterson, B.	Thiede
Casserly	Heap	Luknic	Peterson, D.	Valan
Clark	Heinitz	Mann	Piepho	Valento
Clawson	Hoberg	McCarron	Pleasant	Vanasek
Corbid	Hokanson	McDonald	Redalen	Voss
Crandall	Jacobs	McEachern	Reding	Waldorf
Dempsey	Jaros	Mehrkens	Rees	Weaver
Den Ouden	Jennings	Metzen	Reif	Welch
Drew	Johnson, C.	Minne	Rice	Welker
Eken	Johnson, D.	Moe	Rodriguez	Wenzel
Elioff	Jude	Murphy	Rose	Wieser
Ellingson	Kahn	Nelsen, B.	Rothenberg	Wigley
Erickson	Kaley	Nelsen, M.	Sarna	Wynia
Esau	Kalis	Nelson	Schreiber	Zubay
Evans	Kelly	Niehaus	Searle	Sprk. Norton
Ewald	Kempe	Norman	Searles	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1981, A bill for an act relating to public welfare; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; amending Minnesota Statutes 1978, Section 256D.05, Subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

McCarron moved that the House concur in the Senate amendments to H. F. No. 1981 and that the bill be repassed as amended by the Senate. The motion did not prevail.

Berglin moved that the Message from the Senate relating to H. F. No. 1981, as amended by the Senate, be temporarily laid over. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 160, A bill for an act relating to welfare; changing income disregard provisions for certain medical assistance recipients and certain supplemental aid recipients; appropriating money; amending Minnesota Statutes 1978, Section 256D.37, Subdivision 2; Minnesota Statutes, 1979 Supplement, Sections 256B.06, Subdivision 1; and 256D.37, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Berglin moved that the House concur in the Senate amendments to H. F. No. 160 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 160, A bill for an act relating to welfare; changing income disregard provisions for certain medical assistance recipients and certain supplemental aid recipients; appropriating money; amending Minnesota Statutes 1978, Section 256D.37, Subdivision 2; Minnesota Statutes, 1979 Supplement, Sections 256B.06, Subdivision 1; and 256D.37, Subdivision 1.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Nelson	Searles
Adams	Eken	Kahn	Niehaus	Sherwood
Ainley	Elioff	Kaley	Norman	Sieben, H.
Albrecht	Ellingson	Kalis	Novak	Sieben, M.
Anderson, B.	Erickson	Kelly	Nysether	Simoneau
Anderson, D.	Esau	Kempe	Olsen	Stadum
Anderson, G.	Evans	Knickerbocker	Onnen	Stowell
Anderson, I.	Ewald	Kostohryz	Osthoff	Sviggum
Anderson, R.	Faricy	Kroening	Otis	Swanson
Battaglia	Fjoslien	Kvam	Patton	Thiede
Begich	Forsythe	Laidig	Pehler	Tomlinson
Berglin	Friedrich	Lehto	Peterson, B.	Valan
Berkelman	Fritz	Levi	Peterson, D.	Valento
Biersdorf	Fudro	Long	Piepho	Voss
Blatz	Greenfield	Ludeman	Pleasant	Waldorf
Brinkman	Halberg	Luknic	Redalen	Weaver
Byrne	Haukoos	Mann	Reding	Welch
Carlson, D.	Heap	McCarron	Rees	Welker
Carlson, L.	Heinitz	McDonald	Reif	Wenzel
Casserly	Hoberg	McEachern	Rice	Wieser
Clark	Hokanson	Mehrkens	Rodriguez	Wigley
Clawson	Jacobs	Metzen	Rose	Wynia
Corbid	Jaros	Minne	Rothenberg	Zubay
Crandall	Jennings	Murphy	Sarna	Spkr. Norton
Dempsey	Johnson, C.	Nelsen, B.	Schreiber	
Den Ouden	Johnson, D.	Nelsen, M.	Searle	

The bill was repassed, as amended by the Senate, and its title agreed to.

Berglin, moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bill as a Special Order to be acted upon immediately preceding Special Orders pending for Wednesday, April 2, 1980:

H. F. No. 2458.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bill: H. F. No. 1896.

MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1981, A bill for an act relating to public welfare; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; amending Minnesota Statutes 1978, Section 256D.05, Subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

MOTION FOR RECONSIDERATION

Faricy moved that the vote whereby the McCarron motion to concur in the Senate amendments to H. F. No. 1981 did not prevail be now reconsidered. The motion prevailed.

CONCURRENCE AND REPASSAGE

McCarron moved that the House concur in the Senate amendments to H. F. No. 1981 and that the bill be repassed as amended by the Senate.

Niehaus moved that the House refuse to concur in the Senate amendments to H. F. No. 1981, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion did not prevail.

The question recurred on the McCarron motion that the House concur in the Senate amendments to H. F. No. 1981 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1981, A bill for an act relating to public welfare; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; providing that the status of marriage or an ongoing voluntary sexual relationship of cohabiting adults shall not be a defense to most prosecution for criminal sexual conduct; amending Minnesota Statutes 1978, Section 256D.05, Subdivision 3; and 609.349.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 102 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Adams	Elioff	Kaley	Norman	Sieben, M.
Ainley	Ellingson	Kelly	Novak	Simoneau
Anderson, B.	Evans	Knickerbocker	Nysether	Stadum
Anderson, G.	Fariy	Kostohryz	Olsen	Stoa
Anderson, I.	Fjoslien	Kroening	Otis	Stowell
Anderson, R.	Forsythe	Kvam	Patton	Sviggum
Berglin	Fritz	Laidig	Pehler	Swanson
Berkelman	Fudro	Lehto	Peterson, B.	Tomlinson
Biersdorf	Greenfield	Levi	Peterson, D.	Valan
Blatz	Halberg	Long	Piepho	Vanasek
Brinkman	Haukoos	Luknic	Pleasant	Waldorf
Byrne	Heap	McCarron	Reding	Weaver
Carlson, D.	Hoberg	McDonald	Rees	Welch
Carlson, L.	Hokanson	Mehrkens	Reif	Wenzel
Casserly	Jacobs	Metzen	Rice	Wieser
Clark	Jaros	Minne	Rodriguez	Wynia
Clawson	Jennings	Moe	Rose	Zubay
Corbid	Johnson, C.	Munger	Rothenberg	Spkr. Norton
Crandall	Johnson, D.	Murphy	Schreiber	
Drew	Jude	Nelsen, B.	Searles	
Eken	Kahn	Nelson	Sieben, H.	

Those who voted in the negative were:

Aasness	Dempsey	Kalis	Niehaus	Valento
Albrecht	Den Ouden	Kempe	Onnen	Welker
Anderson, D.	Erickson	Ludeman	Redalen	Wigley
Battaglia	Esau	Mann	Sherwood	
Begich	Heinitz	Nelsen, M.	Thiede	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1138, A bill for an act relating to local government; authorizing local governmental units to establish training programs for local government officials in conjunction with certain organizations; appropriating money; amending Minnesota Statutes 1978, Section 471.59, by adding a subdivision.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Schreiber moved that the House concur in the Senate amendments to H. F. No. 1138 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1138, A bill for an act relating to local government; authorizing the establishment of local government official training programs; appropriating money; amending Minnesota Statutes 1978, Section 471.59, by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 97 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Adams	Begich	Casserly	Erickson	Heinitz
Ainley	Berglin	Clark	Evans	Hoberg
Albrecht	Berkelman	Clawson	Faricy	Hokanson
Anderson, D.	Blatz	Corbid	Forsythe	Jacobs
Anderson, G.	Brinkman	Crandall	Fudro	Jaros
Anderson, I.	Byrne	Eken	Greenfield	Johnson, C.
Anderson, R.	Carlson, D.	Elioff	Halberg	Johnson, D.
Battaglia	Carlson, L.	Ellingson	Heap	Jude

Kahn	Luknic	Novak	Rothenberg	Valan
Kaley	Mann	Olsen	Sarna	Vanasek
Kalis	McCarron	Onnen	Schreiber	Weaver
Kelly	Mehrkens	Osthoff	Searles	Welch
Kempe	Metzen	Patton	Sieben, H.	Wenzel
Knickerbocker	Minne	Pehler	Sieben, M.	Wigley
Kostohryz	Munger	Peterson, B.	Simoneau	Wynia
Kroening	Murphy	Peterson, D.	Stoa	Zubay
Kvam	Nelsen, B.	Piepho	Stowell	Spkr. Norton
Laidig	Nelsen, M.	Pleasant	Sviggum	
Levi	Nelson	Rodriguez	Swanson	
Long	Norman	Rose	Tomlinson	

Those who voted in the negative were:

Aasness	Fjoslien	McDonald	Rees	Waldorf
Biersdorf	Fritz	McEachern	Reif	Welker
Dempsey	Haukoos	Niehaus	Sherwood	Wieser
Den Ouden	Jennings	Nysether	Stadum	
Drew	Lehto	Redalen	Thiede	
Esau	Ludeman	Reding	Valento	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1443, A bill for an act relating to transportation; providing for a transportation board; providing for transfer of certain duties, powers and functions of 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 1978, Sections 174.02, Subdivision 4; 174.03, Subdivision 2; 174.10, Subdivisions 1, 3, 4; 218.011, Subdivision 7; 218.021; 218.025; 218.031, Subdivisions 1, 6, 8, 10; 218.041; 218.071; 219.03; 219.14; 219.23; 219.24; 219.25; 219.27; 219.28; 219.383; 219.39; 219.40; 219.41; 219.42; 219.43; 219.46, Subdivision 7; 219.47; 219.51; 219.52; 219.54; 219.55; 219.562, Subdivision 3; 219.65; 219.681; 219.70; 219.71; 219.741; 219.85; 219.86; 219.87; 221.011, Subdivisions 2b, 15; 221.021; 221.031, Subdivision 1; 221.041; 221.051; 221.061; 221.071; 221.081; 221.101; 221.121; 221.131; 221.141, Subdivision 2; 221.151; 221.161; 221.171; 221.181; 221.221; 221.261; 221.271; 221.281; 221.291, Subdivision 1; 221.293; 221.295; 221.296, Subdivisions 2, 3, 4, 8; 221.55; 221.68; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 1; and 221.011, Subdivision 22; repealing Minnesota Statutes 1978, Section 219.742.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rose moved that the House concur in the Senate amendments to H. F. No. 1443 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1443, A bill for an act relating to transportation; providing for a transportation board; providing for transfer of certain duties, powers and functions of 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; amending Minnesota Statutes 1978, Sections 15A.081, Subdivision 1; 174.02, Subdivision 4; 174.03, Subdivision 2; 174.10, Subdivisions 1, 3, 4; 218.011, Subdivision 7; 218.021; 218.025; 218.031, Subdivisions 1, 6, 8, 10; 218.041; 218.071; 219.03; 219.14; 219.23; 219.24; 219.25; 219.27; 219.28; 219.383; 219.39; 219.40; 219.41; 219.42; 219.43; 219.46, Subdivision 7; 219.47; 219.51; 219.52; 219.54; 219.55; 219.562, Subdivision 3; 219.65; 219.681; 219.70; 219.71; 219.741; 219.85; 219.86; 219.87; 221.011, Subdivisions 2b, 15, 22; 221.021; 221.031, Subdivision 1; 221.041; 221.051; 221.061; 221.071; 221.081; 221.101; 221.121; 221.131; 221.141, Subdivision 2; 221.151; 221.161; 221.171; 221.181; 221.221; 221.261; 221.271; 221.281; 221.291, Subdivision 1; 221.293; 221.295; 221.296, Subdivisions 2, 3, 4, 8; 221.55; 221.68; repealing Minnesota Statutes 1978, Section 219.742.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark	Halberg	Kvam	Niehaus
Adams	Clawson	Haukoos	Laidig	Norman
Ainley	Corbid	Heap	Lehto	Novak
Albrecht	Crandall	Heinitz	Levi	Nysether
Anderson, B.	Dempsey	Hoberg	Long	Olsen
Anderson, D.	Den Ouden	Hokanson	Ludeman	Onnen
Anderson, G.	Drew	Jacobs	Luknic	Osthoff
Anderson, I.	Eken	Jaros	Mann	Otis
Anderson, R.	Elioff	Jennings	McCarron	Patton
Battaglia	Ellingson	Johnson, C.	McDonald	Pehler
Begich	Erickson	Johnson, D.	McEachern	Peterson, B.
Berglin	Esau	Jude	Mehrkens	Peterson, D.
Berkelman	Evans	Kahn	Metzen	Piepho
Biersdorf	Faricy	Kaley	Minne	Pleasant
Blatz	Fjoslien	Kalis	Moe	Reding
Brinkman	Forsythe	Kelly	Munger	Rees
Byrne	Friedrich	Kempe	Murphy	Reif
Carlson, D.	Fritz	Knickerbocker	Nelsen, B.	Rice
Carlson, L.	Fudro	Kostohryz	Nelsen, M.	Rodriguez
Casserly	Greenfield	Kroening	Nelson	Rose

Rothenberg	Sieben, H.	Sviggum	Vanasek	Wieser
Sarna	Sieben, M.	Swanson	Waldorf	Wigley
Schreiber	Simoneau	Thiede	Weaver	Wynia
Searle	Stadum	Tomlinson	Welch	Zubay
Searles	Stoa	Valan	Welker	Spkr. Norton
Sherwood	Stowell	Valento	Wenzel	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2035, A bill for an act relating to historic sites and monuments; adding property to Split Rock Lighthouse historic site; reestablishing Traverse des Sioux historic site as a state monument; appropriating funds; amending Minnesota Statutes 1978, Sections 138.025, Subdivision 10; and 138.585, by adding a subdivision; repealing Minnesota Statutes 1978, Section 138.55, Subdivision 5.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Johnson, C., moved that the House concur in the Senate amendments to H. F. No. 2035 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2035, A bill for an act relating to historic sites and monuments; adding property to Split Rock Lighthouse historic site; reestablishing Traverse des Sioux historic site as a state monument; authorizing a memorial to Minnesota's war dead in Arlington National Cemetery; memorializing Congress to pass H.R. 1918, a service pension for veterans of World War One and their surviving spouses; appropriating funds; amending Minnesota Statutes 1978, Sections 138.025, Subdivision 10; and 138.585, by adding a subdivision; repealing Minnesota Statutes 1978, Section 138.55, Subdivision 5.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, D.	Begich	Brinkman	Clark
Adams	Anderson, G.	Berglin	Byrne	Clawson
Ainley	Anderson, I.	Berkelman	Carlson, D.	Corbid
Albrecht	Anderson, R.	Biersdorf	Carlson, L.	Crandall
Anderson, B.	Battaglia	Blatz	Casserly	Dempsey

Den Ouden	Hokanson	Mann	Patton	Stoa
Drew	Jacobs	McCarron	Pehler	Stowell
Eken	Jaros	McDonald	Peterson, B.	Sviggum
Elioff	Jennings	McEachern	Peterson, D.	Swanson
Ellingson	Johnson, C.	Mehrkens	Piepho	Thiede
Erickson	Johnson, D.	Metzen	Pleasant	Tomlinson
Esau	Jude	Minne	Redalen	Vaia
Evans	Kahn	Moe	Reding	Valento
Ewald	Kaley	Munger	Reif	Vanasek
Faricy	Kalis	Murphy	Rice	Voss
Fjoslien	Kelly	Nelsen, B.	Rodriguez	Waldorf
Forsythe	Kempe	Nelsen, M.	Rose	Weaver
Friedrich	Knickerbocker	Nelson	Rothenberg	Welch
Fritz	Kostohryz	Niehaus	Sarna	Welker
Fudro	Kroening	Norman	Searle	Wenzel
Greenfield	Kvam	Novak	Searles	Wieser
Halberg	Lehto	Nysether	Sherwood	Wigley
Haukoos	Levi	Olsen	Sieben, H.	Wynia
Heap	Long	Onnen	Sieben, M.	Zubay
Heinitz	Ludeman	Osthoff	Simoneau	Spkr. Norton
Hoberg	Luknic	Otis	Stadum	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 251, A bill for an act relating to local government; permitting self insurance of health benefits; authorizing joint self insurance; amending Minnesota Statutes 1978, Section 471.-616, Subdivision 1; Section 60A.23, by adding a subdivision; and Chapter 471, by adding a section; repealing Minnesota Statutes, 1979 Supplement, Section 471.61, Subdivision 1b.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 251 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 251, A bill for an act relating to local government; permitting self insurance of health benefits; authorizing joint self insurance; amending Minnesota Statutes 1978, Section 471.-616, Subdivision 1; Section 60A.23, by adding a subdivision; and Chapter 471, by adding a section; repealing Minnesota Statutes, 1979 Supplement, Section 471.61, Subdivision 1b.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Jude	Nelsen, M.	Searle
Adams	Elioff	Kahn	Nelson	Sherwood
Ainley	Ellingson	Kaley	Niehaus	Sieben, M.
Albrecht	Erickson	Kalis	Norman	Simoneau
Anderson, B.	Esau	Kelly	Novak	Stadum
Anderson, D.	Evans	Kempe	Nysether	Stoa
Anderson, G.	Ewald	Knickerbocker	Olsen	Stowell
Anderson, I.	Faricy	Kostohryz	Onnen	Sviggum
Anderson, R.	Fjoslien	Kroening	Otis	Swanson
Battaglia	Forsythe	Kvam	Patton	Thiede
Begich	Friedrich	Levi	Pehler	Tomlinson
Berkelman	Fritz	Long	Peterson, B.	Valan
Biersdorf	Fudro	Ludeman	Peterson, D.	Valento
Brinkman	Greenfield	Luknic	Piepho	Vanasek
Byrne	Halberg	Mann	Pleasant	Voss
Carlson, D.	Haukoos	McCarron	Redalen	Waldorf
Carlson, L.	Heap	McDonald	Reding	Weaver
Casserly	Heinitz	McEachern	Rees	Welch
Clark	Hoberg	Mehrkens	Reif	Welker
Clawson	Hokanson	Metzen	Rice	Wenzel
Corbid	Jacobs	Minne	Rodriguez	Wieser
Crandall	Jaros	Moe	Rose	Wigley
Dempsey	Jennings	Munger	Rothenberg	Wynia
Den Ouden	Johnson, C.	Murphy	Sarna	Zubay
Drew	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 262, A bill for an act relating to local government; permitting self insurance for local governments; authorizing insurance pooling; amending Minnesota Statutes 1978, Sections 60A.02, Subdivisions 3 and 4; 79.01, Subdivisions 2 and 3; and Chapter 471, by adding sections.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 262 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 262, A bill for an act relating to local government; permitting self insurance for local governments; authorizing in-

insurance pooling; appropriating money; amending Minnesota Statutes 1978, Sections 60A.02, Subdivisions 3 and 4; 79.01, Subdivisions 2 and 3; and Chapter 471, by adding sections.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Niehaus	Simoneau
Adams	Ellingson	Kalis	Norman	Stadum
Ainley	Erickson	Kelly	Novak	Stoa
Albrecht	Esau	Kempe	Nysether	Stowell
Anderson, B.	Evans	Knickerbocker	Olsen	Svigum
Anderson, D.	Ewald	Kostohryz	Onnen	Swanson
Anderson, G.	Faricy	Kroening	Otis	Thiede
Anderson, I.	Fjoslien	Kvam	Patton	Tomlinson
Anderson, R.	Forsythe	Lehto	Pehler	Valan
Battaglia	Friedrich	Levi	Peterson, B.	Valento
Begich	Fritz	Long	Peterson, D.	Vanasek
Berkelman	Fudro	Ludeman	Piepho	Voss
Biersdorf	Greenfield	Luknic	Pleasant	Waldorf
Blatz	Halberg	Mann	Redalen	Weaver
Brinkman	Haukoos	McCarron	Reding	Welch
Byrne	Heap	McDonald	Rees	Welker
Carlson, D.	Heinitz	McEachern	Reif	Wenzel
Carlson, L.	Hoberg	Mehrkens	Rice	Wieser
Casserly	Hokanson	Metzen	Rodriguez	Wigley
Clark	Jacobs	Minne	Rose	Wynia
Clawson	Jaros	Moe	Rothenberg	Zubay
Corbid	Jennings	Munger	Sarna	Spkr. Norton
Crandall	Johnson, C.	Murphy	Schreiber	
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Sherwood	
Drew	Kahn	Nelson	Sieben, M.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 902, A bill for an act relating to pollution; establishing noise limits for motorboats; amending Minnesota Statutes 1978, Section 361.17.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Sieben, M., moved that the House concur in the Senate amendments to H. F. No. 902 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 902, A bill for an act relating to pollution; establishing noise limits for motorboats; appropriating money; amending Minnesota Statutes 1978, Section 361.17.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 97 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Adams	Elioff	Kelly	Nelson	Sherwood
Albrecht	Ellingson	Kempe	Norman	Sieben, H.
Anderson, B.	Evans	Knickerbocker	Novak	Sieben, M.
Anderson, G.	Ewald	Kostohryz	Nysether	Simoneau
Anderson, I.	Faricy	Kroening	Olsen	Stoa
Anderson, R.	Fjoslien	Kvam	Otis	Stowell
Battaglia	Forsythe	Lehto	Patton	Swanson
Begich	Friedrich	Levi	Pehler	Tomlinson
Berkelman	Fritz	Long	Peterson, B.	Valan
Biersdorf	Fudro	Luknic	Peterson, D.	Vanasek
Blatz	Greenfield	Mann	Pleasant	Voss
Brinkman	Halberg	McCarron	Reding	Waldorf
Byrne	Hoberg	McEachern	Rees	Weaver
Carlson, D.	Hokanson	Metzen	Reif	Welch
Carlson, L.	Jacobs	Minne	Rice	Wenzel
Casserly	Jaros	Moe	Rodriguez	Wynia
Clark	Johnson, C.	Munger	Rose	Spkr. Norton
Clawson	Johnson, D.	Murphy	Rothenberg	
Corbid	Jude	Nelsen, B.	Sarna	
Drew	Kahn	Nelsen, M.	Schreiber	

Those who voted in the negative were:

Aasness	Erickson	Kaley	Niehaus	Thiede
Ainley	Esau	Kalis	Onnen	Welker
Anderson, D.	Haukoos	Ludeman	Piepho	Wieser
Dempsey	Heinitz	McDonald	Redalen	Wigley
Den Ouden	Jennings	Mehrkens	Sviggum	Zubay

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1603, A bill for an act relating to welfare; clarifying certain provisions of the general assistance medical care program; establishing an earned income disregard work incentive in the general assistance program; making various other changes in the general assistance program; appropriating money; amending Minnesota Statutes 1978, Sections 256D.01; 256D.02, Subdivisions 4, 9, 10, 11, 12, and by adding a subdivision; 256D.-

03, Subdivisions 1 and 3; 256D.04; 256D.06, Subdivisions 1 and 2; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.10; 256D.11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 256D.13, Subdivision 1; 256D.16; and 256D.18, Subdivisions 2 and 4; and Minnesota Statutes, 1979 Supplement, Sections 256D.03, Subdivision 2; 256D.07; and 256D.08, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 1603 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1603, A bill for an act relating to welfare; clarifying certain provisions of the general assistance medical care program; establishing an earned income disregard work incentive in the general assistance program; making various other changes in the general assistance program; appropriating money; amending Minnesota Statutes 1978, Sections 256D.01; 256D.02, Subdivisions 4, 9, 10, 11, 12, and by adding a subdivision; 256D.03, Subdivisions 1 and 3; 256D.04; 256D.06, Subdivisions 1 and 2; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.10; 256D.11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 256D.13, Subdivision 1; 256D.16; and 256D.18, Subdivisions 2 and 4; and Minnesota Statutes, 1979 Supplement, Sections 256D.03, Subdivision 2; 256D.07; and 256D.08, Subdivision 1.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 74 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Kelly	Nelsen, B.	Sieben, M.
Anderson, B.	Eken	Knickerbocker	Nelsen, M.	Simoneau
Anderson, G.	Elioff	Kostohryz	Nelson	Stoa
Anderson, I.	Ellingson	Kroening	Norman	Swanson
Anderson, R.	Evans	Lehto	Novak	Tomlinson
Battaglia	Ewald	Long	Osthoff	Vanasek
Begich	Faricy	Luknic	Otis	Voss
Berkelman	Fudro	Mann	Patton	Waldorf
Blatz	Greenfield	McCarron	Pehler	Weaver
Brinkman	Hokanson	McEachern	Peterson, D.	Welch
Byrne	Jacobs	Metzen	Reding	Wenzel
Carlson, L.	Jaros	Minne	Reif	Wieser
Casserly	Johnson, C.	Moe	Rice	Wynia
Clark	Jude	Munger	Rodriguez	Spkr. Norton
Clawson	Kahn	Murphy	Sarna	

Those who voted in the negative were:

Aasness	Albrecht	Crandall	Den Ouden	Erickson
Ainley	Anderson, D.	Dempsey	Drew	Esau

Fjoslien	Johnson, D.	Mehrkens	Rose	Thiede
Friedrich	Kaley	Niehaus	Rothenberg	Valan
Fritz	Kalis	Nysether	Schreiber	Valento
Halberg	Kempe	Olsen	Searle	Welker
Haukoos	Kvam	Onnen	Searles	Wigley
Heap	Laidig	Piepho	Sherwood	Zubay
Heinitz	Levi	Pleasant	Stadum	
Hoberg	Ludeman	Redalen	Stowell	
Jennings	McDonald	Rees	Svigum	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2353, A bill for an act relating to water resources; continuing the water planning board; changing its membership and duties; appropriating money; amending Minnesota Statutes 1978, Section 105.401; and Laws 1979, Chapter 333, Section 31, Subdivision 5.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Johnson, C., moved that the House concur in the Senate amendments to H. F. No. 2353 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2353, A bill for an act relating to water resources; continuing the water planning board; changing its membership and duties; appropriating money; amending Minnesota Statutes 1978, Section 105.401; and Laws 1979, Chapter 333, Section 31, Subdivision 5.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 99 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Aasness	Begich	Clawson	Forsythe	Johnson, C.
Adams	Berkelman	Crandall	Fudro	Johnson, D.
Ainley	Blatz	Eken	Greenfield	Jude
Anderson, B.	Brinkman	Elioff	Halberg	Kahn
Anderson, D.	Byrne	Ellingson	Hoberg	Kalis
Anderson, G.	Carlson, L.	Evans	Hokanson	Kelly
Anderson, I.	Casserly	Ewald	Jacobs	Kempe
Battaglia	Clark	Faricy	Jaros	Knickerbocker

Kostohryz	Mehrkens	Onnen	Sarna	Valan
Kroening	Metzen	Osthoff	Schreiber	Valento
Kvam	Minne	Otis	Searles	Vanasek
Laidig	Moe	Patton	Sherwood	Voss
Lehto	Munger	Pehler	Sieben, M.	Waldorf
Levi	Murphy	Peterson, D.	Simoneau	Weaver
Long	Nelsen, B.	Pleasant	Stadum	Welch
Luknic	Nelsen, M.	Reding	Stoa	Wenzel
Mann	Nelson	Rees	Stowell	Wigley
McCarron	Novak	Rice	Swanson	Wynia
McDonald	Nysether	Rodriguez	Thiede	Spkr. Norton
McEachern	Olsen	Rose	Tomlinson	

Those who voted in the negative were:

Albrecht	Erickson	Haukoos	Niehaus	Searle
Anderson, R.	Esau	Heap	Norman	Sviggum
Dempsey	Fjoslien	Jennings	Piepho	Welker
Den Ouden	Friedrich	Kaley	Redalen	Wieser
Drew	Fritz	Ludeman	Rothenberg	Zubay

The bill was repassed, as amended by the Senate, and its title agreed to.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2023

A bill for an act relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring hazardous waste management planning and development; establishing procedures for the review and approval of permits for waste facilities; authorizing debt; appropriating money; amending Minnesota Statutes 1978, Sections 116.06, Subdivisions 9, 10, 13, and by adding subdivisions; 116.07, Subdivisions 2, 4, 4a, and by adding subdivisions; 116.081, Subdivision 1; 116.101; 116.41; 400.03, Subdivision 1; 400.04; 400.06; 400.07; 400.13; 400.16; 40.161; 473.121, by adding a subdivision; 473.149; 473.502; 473.516; 473.801, Subdivision 1; 473.802; 473.803; 473.811; 473.813; 473.823, Subdivision 3, and by adding a subdivision; Chapter 400, by adding a section; and Chapter 473, by adding sections; repealing Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2 to 7; 473.121, Subdivisions 27 to 31c; 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 728, Section 7.

April 1, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2023, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recedes from its amendments and that H. F. No. 2023 be further amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE I

CITATION, PURPOSE, AND DEFINITIONS

Section 1. [CITATION.] *Articles I to VIII shall be known as the waste management act of 1980.*

Sec. 2. [LEGISLATIVE DECLARATION OF POLICY; PURPOSES.] *It is the goal of articles I to VIII to improve waste management in the state to serve the following purposes:*

- (a) Reduction in waste generated;*
- (b) Separation and recovery of materials and energy from waste;*
- (c) Reduction in indiscriminate dependence on disposal of waste;*
- (d) Coordination of solid waste management among political subdivisions;*
- (e) Orderly and deliberate development and financial security of waste facilities including disposal facilities.*

Sec. 3. [DEFINITIONS.] *Subdivision 1. For the purposes of articles I to VIII, the terms defined in this section have the meanings given them, unless the context requires otherwise.*

Subd. 2. “Agency” means the pollution control agency.

Subd. 3. “Board” means the waste management board established in article II, section 1.

Subd. 4. “Cities” means statutory and home rule charter cities and towns authorized to plan under sections 462.351 to 462.364.

Subd. 5. "Collection" means the aggregation of 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.

Subd. 6. "Commercial waste facility" means a waste facility established and permitted to sell waste processing or disposal services to generators other than the owner and operator of the facility.

Subd. 7. "Construction debris" means waste building materials, packaging, and rubble resulting from construction, remodeling, repair, and demolition of buildings and roads.

Subd. 8. "Development region" means a region designated pursuant to sections 462.381 to 462.397.

Subd. 9. "Disposal" means the discharge, deposit, injection, dumping, spilling, leaking, or placing of any waste into or on any land or water so that the waste or any constituent thereof may enter the environment or be emitted into the air, or discharged into any waters, including ground waters.

Subd. 10. "Disposal facility" means a waste facility permitted by the agency that is designed or operated for the purpose of disposing of waste on or in the land.

Subd. 11. "Generation" means the act or process of producing waste.

Subd. 12. "Generator" means any person who generates waste.

Subd. 13. "Hazardous waste" has the meaning given it in section 116.06, subdivision 13.

Subd. 14. "Intrinsic hazard" of a waste means the propensity of the waste to migrate in the environment, and thereby to become exposed to the public, and the significance of the harm or damage likely to result from exposure of natural resources or the public to the waste, as a result of such inherent or induced attributes of the waste as its chemical and physical stability, solubility, bioconcentratability, toxicity, flammability, and corrosivity.

Subd. 15. "Intrinsic suitability" of a land area or site means that, because of the inherent and natural attributes, physical features, and location of the land area or site, the waste facility proposed to be located in the area or site would not be likely to result in material harm to the public health and safety and natural resources and that therefore the proposed facility can reasonably be expected to qualify for permits in accordance with agency rules.

Subd. 16. "Legislative commission on waste management" or "legislative commission" means the commission established in article II, section 11.

Subd. 17. "Local government unit" means cities, towns, and counties.

Subd. 18. "Metropolitan area" has the meaning given it in section 473.121.

Subd. 19. "Metropolitan council" means the council established in chapter 473.

Subd. 20. "Metropolitan waste control commission" or "waste control commission" means the waste control commission established in chapter 473.

Subd. 21. "Mixed municipal solid waste" means garbage, refuse, and other solid waste from residential, commercial, industrial, and community activities which is generated and collected in aggregate, but does not include auto hulks, street sweepings, ash, construction debris, mining waste, sludges, tree and agricultural wastes, tires, and other materials collected, processed, and disposed of as separate waste streams.

Subd. 22. "Natural resources" has the meaning given it in chapter 116B.

Subd. 23. "Person" has the meaning given it in section 116.06, but does not include the board.

Subd. 24. "Political subdivision" means any municipal corporation, governmental subdivision of the state, local government unit, special district, or local or regional board, commission, or authority authorized by law to plan or provide for waste management.

Subd. 25. "Processing" means the treatment of waste after collection and before disposal. Processing includes but is not limited to reduction, storage, separation, exchange, resource recovery, physical, chemical, or biological modification, and transfer from one waste facility to another.

Subd. 26. "Regional development commission" means a commission established pursuant to sections 462.381 to 462.397.

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

Subd. 28. "Resource recovery facility" means a waste facility established and used primarily for resource recovery.

Subd. 29. "Sewage sludge" means the solids and associated liquids in municipal wastewater which are encountered and concentrated by a municipal wastewater treatment plant for disposal at a sewage sludge disposal facility. Sewage sludge does not include incinerator residues and grit, scum, or screenings removed from other solids during treatment.

Subd. 30. "Sewage sludge disposal facility" means property owned or leased by a political subdivision and used for interim or final disposal or land spreading of sewage sludge.

Subd. 31. "Solid waste" has the meaning given it in section 116.06, subdivision 10.

Subd. 32. "Solid waste management district" or "waste district" means a geographic area extending into two or more counties in which the management of solid waste is vested in a special district established pursuant to article VIII.

Subd. 33. "Transfer station" means an intermediate waste facility in which waste collected from any source is temporarily deposited to await transportation to another waste facility.

Subd. 34. "Waste" means solid waste, sewage sludge, and hazardous waste.

Subd. 35. "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 or disposal of waste, except property for the collection of the waste and property used primarily for the manufacture of scrap metal or paper. Waste facility includes but is not limited to transfer stations, processing facilities, and disposal sites and facilities.

Subd. 36. "Waste management" means activities which are intended to affect or control the generation of waste and activities which provide for or control the collection, processing and disposal of waste.

ARTICLE II

WASTE MANAGEMENT BOARD; LEGISLATIVE COMMISSION ON WASTE MANAGEMENT; STATE GOVERNMENT RESOURCE RECOVERY PROGRAM

Section 1. [WASTE MANAGEMENT BOARD; CREATION.] *There is created in the executive branch a waste management board.*

Sec. 2. [BOARD MEMBERSHIP.] *Subdivision 1. [GENERAL.] The board shall be composed of nine permanent mem-*

bers. *Temporary members shall be added pursuant to subdivision 3.*

Subd. 2. [PERMANENT MEMBERS.] Eight of the permanent members of the board shall be appointed by the governor, with the advice and consent of the senate, to represent diverse areas and interests within the state. One member shall be appointed from each congressional district in accordance with boundaries existing on January 1, 1980. The term of office and compensation of the eight members thus appointed, and the manner of removal and filling of vacancies, shall be as provided in section 15.0575, except that the initial term of all members shall be four years and the rate of compensation shall be \$50 per day spent on board activities. The ninth permanent member of the board shall be the chairperson who shall be appointed by the governor with the advice and consent of the senate. The chairperson shall serve at the pleasure of the governor for a term coterminous with that of the governor, except that the initial term of the chairperson shall be four years. The chairperson shall be the executive and operating officer of the board and shall determine the time and place of meetings, preside at meetings, appoint all board officers and hire and supervise all employees subject to the approval of the board, carry out the policy decisions of the board, and perform all other duties and functions assigned to him by the board or by law. No permanent member of the board shall hold other elected or appointed public office.

Subd. 3. [TEMPORARY MEMBERS.] For the purposes of each project review conducted by the board under article III and article IV, and for the purpose of preparing and adopting the hazardous waste management plan under section 8 and making decisions on the elements of the certification of need for disposal required under article III, six local representatives shall be added to the board as temporary voting members, as provided in article III, section 5, subdivision 4, and article IV, section 3. The provisions of section 15.075 relating to compensation, removal, and vacancy shall apply to temporary members except that the rate of compensation shall be \$50 per day spent on board activities.

Sec. 3. [POWERS OF THE BOARD.] Subdivision 1. [GENERAL.] The board shall have the powers and duties prescribed by articles I to VIII and all powers necessary or convenient to discharge its duties.

Subd. 2. [RULES.] Unless otherwise provided, the board shall promulgate rules in accordance with chapter 15 to govern its activities and implement articles I to VIII.

Subd. 3. [ACTIONS.] The board may sue and be sued.

Subd. 4. [ACQUISITION OF SITES FOR HAZARDOUS WASTE FACILITIES.] The board may direct the commis-

sioner of administration to acquire by purchase, lease, condemnation, gift, or grant, any right, title, and interest in and to real property, including positive and negative easements and water, air, and development rights, for sites and buffer areas surrounding sites for hazardous waste facilities approved by the board pursuant to articles III and IV. Money for the acquisition of any real property and interest in real property pursuant to this subdivision shall come from the issuance of state waste management bonds in accordance with article VII. The property shall be leased to the owner and operator of the hazardous waste facility located thereon at a rate sufficient to pay debt service on the bonds which provided funds used to acquire the property and to evaluate the eligibility of the property for inclusion in the inventory under section 6 or candidacy under article III. Any local government unit and the commissioners of transportation, natural resources, and administration may convey or allow the use of any property for such sites and areas, subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation and without an election or approval by any other government agency. Land owned by the state may be exchanged for land not owned by the state for the purpose of providing a site and buffer area for a commercial hazardous waste facility, in accordance with the provisions of section 94.341 to 94.347 and other law. The commissioner of administration may hold the property for the purposes for which it was acquired, and may lease, rent, or dispose of the property so far as not needed for such purposes, upon the terms and in the manner the commissioner deems advisable. The right to acquire lands and property rights by condemnation shall be exercised in accordance with chapter 117. The commissioner of administration may take possession of any property for which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation. Where the property is acquired through eminent domain proceedings, the land owner's compensation shall be the fair market value of the property. Where the property is acquired by means other than through eminent domain proceedings, as by direct purchase or gift, the land owner's compensation shall be determined by the agreement of the parties involved. An award of compensation in a condemnation proceeding shall not be increased or decreased by reason of any increase or decrease in the value of the property caused by its designation in the inventory of sites and buffer areas under section 6 or as a candidate site under article III or its selection as a site or buffer area.

Subd. 5. [RIGHT OF ACCESS.] Whenever the board or the chairperson acting on behalf of the board deems it necessary to the accomplishment of its purposes, the board or any member, employee, or agent thereof, when authorized by it or the chairperson, may enter upon any property, public or private, for the purpose of obtaining information or conducting surveys or investigations, provided that the entrance and activity is undertaken after reasonable notice and during normal business hours and

provided that compensation is made for any damages to the property caused by the entrance and activity.

Subd. 6. [GIFTS AND GRANTS.] The board, or the chairperson or commissioner of administration on behalf of the board, may apply for and accept gifts, loans, or other property from the United States, the state, or any person for any of the purposes of the board, may enter into any agreement required in connection therewith, and may hold, use, and dispose of the money or property in accordance with the terms of the gift, grant, loan or agreement.

Subd. 7. [PROPERTY EXEMPT FROM TAXATION.] Any real or personal property owned, used, or occupied by the board or the commissioner of administration for any purpose referred to in articles I to VIII is declared to be acquired, owned, used, and occupied for public and governmental purposes, and shall be exempt from taxation by the state or any political subdivision of or other governmental unit of or within the state, provided that those properties shall be subject to special assessments levied for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of the properties in any manner different from their use for hazardous waste management at the time shall be considered in determining the special benefit received by the properties.

Subd. 8. [CONTRACTS.] The board or the chairperson acting on behalf of the board may enter into any contract necessary or proper for the exercise of its powers or the accomplishment of its purposes.

Subd. 9. [JOINT POWERS.] The board or the chairperson acting on behalf of the board may act under the provisions of Minnesota Statutes, Section 471.59, or any other law providing for joint or cooperative action.

Subd. 10. [RESEARCH.] The board or the chairperson acting on behalf of the board may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and order all necessary hearings and investigations in connection with its work and may advise and assist other government units on planning matters within the scope of its powers, duties, and objectives.

Subd. 11. [EMPLOYEES; CONTRACTS FOR SERVICES.] The board through its chairperson may employ persons and contract for services to perform research, engineering, legal, or other services necessary to carry out its functions.

Subd. 12. [INSURANCE.] The board through its chairperson may require any employee to obtain and file with it an indi-

vidual bond or fidelity insurance policy. It may procure insurance in amounts it deems necessary to insure against liability of the board and employees or both, for personal injury or death and property damage or destruction, with the force and effect stated in Minnesota Statutes, Chapter 466, and against risks of damage to or destruction of any of its property as it deems necessary.

Sec. 4. [DUTIES OF THE BOARD; GENERAL.] *Subdivision 1. [INTERAGENCY COORDINATION.] The chairperson of the board shall inform the state planning agency of the board's activities in accordance with section 4.191. The chairperson shall keep the agency informed of the board's activities, solicit the advice and recommendations of the agency, and coordinate its work with the regulatory and enforcement activities of the agency.*

Subd. 2. [BIENNIAL REPORT.] Before November 15 of each even-numbered year the board through its chairperson shall prepare and submit to the legislative commission a report of the board's operations and activities pursuant to articles I to VIII and any recommendations for legislative action. The report shall include a proposed work plan for the following biennium.

Sec. 5. [DUTIES OF THE BOARD; HAZARDOUS WASTE MANAGEMENT REPORTS.] *Subdivision 1. [REPORT ON LIABILITY AND LONG-TERM CARE.] By January 1, 1981, the board through its chairperson shall report and make recommendations to the legislative commission on the management and financing of liability and post-closure monitoring and care for hazardous waste facilities in the state. The commissioner of economic development, in consultation with the chairperson of the board, shall conduct background research and shall report to the board by July 1, 1980, on the subject of the report required by this subdivision and on additional research needed to complete the report and recommendations.*

Subd. 2. [REPORT ON PRIVATE INVESTMENT IN HAZARDOUS WASTE MANAGEMENT.] By January 1, 1981, the board through its chairperson shall report and make recommendations to the legislative commission on alternative state strategies to promote and secure private investment in hazardous waste management services, technologies, and facilities. The report at least shall evaluate: (a) strategies to promote and secure investments by generators in waste reduction, separation, pretreatment, and recovery; (b) strategies to secure generator assistance in the establishment and financing of hazardous waste facilities either directly through joint investment or indirectly through taxation; (c) strategies to protect the public against business failure by owners and operators of hazardous waste facilities; (d) strategies to promote and secure investment by the private waste management industry in hazardous waste facilities in the state. The report shall recommend

priorities, objectives, and appropriate legislation for promoting and securing private investment in hazardous waste management. The commissioner of economic development, in consultation with the chairperson of the board, shall conduct background research and shall report to the board by July 1, 1980, on the subject of the report required by this subdivision and on additional research needed to complete the report and recommendations.

Subd. 3. [REPORT ON INTERSTATE COOPERATION.] By January 1, 1981, the board through its chairperson shall report and make recommendations to the legislative commission on actions to develop interstate cooperation in hazardous waste planning and management. The report shall make recommendations on uniformity of state laws, regulations, and enforcement and on coordination of decisions on facility development and use. The director of the state planning agency, in consultation with the chairperson of the board, shall conduct background research and shall report to the board by July 1, 1980, on the report required by this subdivision and on additional research needed to complete the report and recommendations.

Subd. 4. [REPORT ON HAZARDOUS WASTE MANAGEMENT; DRAFT MANAGEMENT PLAN AND CERTIFICATION OF NEED.] By January 1, 1982, the board through its chairperson shall report to the legislative commission on hazardous waste management. The report shall include at least:

(a) an evaluation of alternative disposal facilities, disposal facility technologies, and disposal facility design and operating specifications and an explanation of the preliminary design and operating specifications for disposal facilities selected for consideration under article III, section 6;

(b) an evaluation of prospects, strategies, and methods for developing commercial hazardous waste disposal facilities of various types, sizes, and functions;

(c) an evaluation of all feasible and prudent alternatives to disposal, including waste reduction, separation, pretreatment, processing, and resource recovery, and the potential of the alternatives to reduce the need for and practice of disposal;

(d) an evaluation of feasible and prudent disposal abatement objectives, along with a description of hazardous waste management methods and technologies, private and government actions, facilities and services, development schedules, revenue-raising measures, and levels of public and private expenditure and effort necessary to the achievement of those objectives.

The report shall analyze the environmental, social, and economic effects of the alternatives and methods by which unavoidable adverse effects could be mitigated. The report shall

include a draft hazardous waste management plan, based on the analysis in the report and proposed for adoption pursuant to section 8, and a draft certificate or certificates of need proposed for issuance under article III, section 7.

Subd. 5. [REPORT ON MITIGATION OF LOCAL EFFECTS OF HAZARDOUS WASTE FACILITIES.] By January 1, 1982, the board through its chairperson shall report and make recommendations to the legislative commission on methods of mitigating and compensating for the local risks, costs, and other adverse effects of various types of hazardous waste facilities and on methods of financing mitigation and compensation measures. The methods of mitigating and compensating to be considered shall include but not be limited to the following: payment outside of levy limitations in lieu of taxes for all property taken off the tax rolls; preference in reviews of applications for federal funds conducted by the metropolitan council and regional development commissions; payment of all costs to service the facilities including the cost of roads, monitoring, inspection, enforcement, police and fire, and litter clean up costs; payment for buffer zone amenities and improvement; local control over buffer zone design; a guarantee against any and all liability that may occur.

Subd. 6. [PREPARATION OF HAZARDOUS WASTE REPORTS; PROCEDURES; PUBLIC INVOLVEMENT.] By January 1, 1981, the board through its chairperson shall submit a proposed scope of work and work program for the hazardous waste reports required by subdivisions 4 and 5 to the legislative commission for review. During the preparation of the proposed scope of work and work plan and the reports, the board and the chairperson on behalf of the board shall encourage public debate and discussion of the issues relating to the reports. The board and the chairperson on behalf of the board shall meet with local officials and sponsor at least one public meeting in areas of the state affected by the inventory of preferred processing facility sites prepared pursuant to section 6. The board and the chairperson on behalf of the board shall follow the procedures set out in article III, section 5, for consulting with citizens in areas affected by the selection of candidate sites for disposal facilities. To assist it in preparing the reports required by subdivisions 4 and 5, the board through its chairperson shall make grants to each local project review committee established for a candidate site for disposal identified under article III. The grants may be used by the committee to employ staff, pay administrative expenses, or contract with affected units of government or qualified consultants. The board and the chairperson on behalf of the board shall request recommendations from the private waste management industry, the board's advisory councils, affected regional development commissions, and the metropolitan council and shall consult with them on the board's intended disposition of the recommendations. The reports of the board shall summarize the comments received and the board's response to the comments.

Sec. 6. [DUTIES OF THE BOARD; INVENTORY OF PREFERRED SITES FOR HAZARDOUS WASTE PROCESSING FACILITIES.] *Subdivision 1. [BOARD RESPONSIBILITY.]* By November 1, 1981, the board shall prepare an inventory of preferred sites for commercial hazardous waste processing facilities. The inventory shall include at least three sites for each of the following categories of processing facilities: (a) a commercial chemical processing facility for hazardous waste, (b) a commercial incineration facility for hazardous waste, and (c) a commercial transfer and storage facility for hazardous waste.

Subd. 2. [EVALUATION OF SITES.] The board shall not be required to promulgate rules pursuant to chapter 15 to govern its evaluation and selection of sites under this section. The board and the chairperson on behalf of the board shall evaluate the sites in consultation with the board's advisory councils, the affected counties and regions, generators of hazardous waste, and prospective facility developers. The evaluation shall consider at least the consistency of sites with state and federal regulations, local land use and land use controls, the protection of agriculture and natural resources, existing and future development patterns, transportation and other services appropriate to the hazardous waste facilities, the quality of other potential sites, and the location of hazardous waste generators. No site shall be included in the inventory unless the agency certifies its intrinsic suitability for the use intended. No land shall be excluded from consideration for inclusion in the inventory except land determined by the agency to be intrinsically unsuitable for the use intended.

Subd. 3. [PROCEDURES.] The board shall propose the inventory of sites by June 1, 1981, by publication in the state register and newspapers of general circulation in the state and by mail to each regional development commission and local government unit containing a proposed site. Any person objecting to the agency's certification or the board's proposal of a site for inclusion in the inventory shall have 30 days in which to request a hearing. If a hearing is requested, the hearing shall be ordered by the chairperson of the board and shall be conducted by the state office of hearing examiners in a manner determined by the hearing examiner to be consistent with the completion of the proceedings and the examiner's report in the time allowed by this section. At the hearing, any county in which a site is proposed for inclusion in the inventory may propose an alternative site or sites within the county. The hearing examiner may consolidate hearings. When any site in the inventory becomes unavailable as a hazardous waste facility site, the inventory shall be amended, in the manner of its original adoption, provided, however, that during the period when the inventory is being amended any other site in the inventory may be reviewed and approved under article IV. No action of the board shall be held invalid by reason of the board's failure to notify any of the entities listed in this subdivision.

Subd. 4. [GRANTS; TECHNICAL ASSISTANCE.] To assist counties participating in the inventory required by this section, the board through its chairperson may make grants to the counties to be used to employ staff, pay administrative expenses, or contract with qualified consultants. The board through its chairperson shall ensure the delivery to the counties of technical information and assistance by appropriate state agencies.

Sec. 7. [DUTIES OF THE BOARD; HAZARDOUS WASTE FACILITIES; ENCOURAGEMENT OF PRIVATE ENTERPRISE.] The board and the chairperson on behalf of the board shall encourage the development and operation of hazardous waste facilities by private enterprise to the extent practicable and consistent with the purposes of articles I to VIII and the board's hazardous waste management plan adopted pursuant to section 8. In preparing the reports under section 5 and the inventory of processing facility sites under section 6, in adopting the management plan, and in its actions and decisions under articles III and IV, the board and the chairperson on behalf of the board shall solicit the active participation of private waste management firms and shall so conduct its activities as to encourage private permit applications for facilities needed in the state. The board shall promulgate rules for accepting, evaluating, and selecting applications for permits for the construction and operation of facilities at sites preferred or selected by the board pursuant to section 6 or article III. The rules shall include standards and procedures for making determinations on the minimum qualifications, including technical competence and financial capability, of permit applicants. The rules shall include standards and procedures for soliciting and accepting bids or permit applications and for selecting developers and operators of hazardous waste disposal facilities at sites chosen by the board pursuant to article III, which shall include a preference for qualified permit applicants who control a site chosen by the board.

Sec. 8. [HAZARDOUS WASTE MANAGEMENT PLAN.] Subdivision 1. [CONTENTS.] By May 1, 1982, the board shall adopt a hazardous waste management plan. The plan shall include at least the following elements:

(a) an estimate of the types and volumes of hazardous waste which will be generated in the state through the year 2000;

(b) specific and quantifiable objectives for reducing to the greatest feasible and prudent extent the need for and practice of disposal, through waste reduction, pretreatment, processing, and resource recovery;

(c) a description of the minimum disposal capacity and capability needed to be developed within the state for use through the year 2000, based on the achievement of the objectives under clause (b).

The plan shall require the establishment of at least one commercial disposal facility in the state.

Subd. 2. [PROCEDURE.] The plan shall be based upon the reports prepared pursuant to section 5. The plan shall not be subject to the rule-making or contested case provisions of chapter 15. Following the submission of the report on hazardous management required under section 5, subdivision 4, the board shall hold a public hearing on the draft plan and draft certificate or certificates of need contained in the report. Notices of the draft plan and the draft certificate or certificates and notice of the hearing shall be published in the state register and newspapers of general circulation in the state. The hearing shall be ordered by the chairperson of the board and shall be conducted by the state office of hearing examiners in a manner consistent with the completion of the proceedings in the time allowed by this section. A majority of the permanent members of the board shall attend the hearing. In connection with the hearing, the chairperson of the board shall provide copies of the studies and reports on which the draft plan and certification of need are based and shall make an affirmative presentation showing the need for and reasonableness of the draft plan and certification of need. Following the hearing, the board shall revise the plan and the certificate or certificates of need as it deems appropriate, shall make a written response to the testimony received at the hearing explaining its disposition of any recommendations made with respect to the plan and certification, and shall finally adopt a plan in accordance with this section and issue a certificate or certificates of need in accordance with article III, section 7.

Sec. 9. [ADVISORY COUNCILS.] Subdivision 1. [SOLID AND HAZARDOUS WASTE MANAGEMENT.] The chairperson of the board shall establish a solid waste management advisory council and a hazardous waste management planning council broadly representative of the geographic areas and interests of the state. The councils shall have not less than 9 nor more than 18 members each. The membership of the solid waste council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives from private solid waste management firms. The solid waste council shall contain at least one member experienced in each of the following areas: state and municipal finance; solid waste collection, processing, and disposal; and solid waste reduction and resource recovery. The membership of the hazardous waste advisory council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives of hazardous waste generators and private hazardous waste management firms. The chairpersons of the advisory councils shall be appointed by the chairperson of the board. The chairperson of the board shall provide administrative and staff services for the advisory councils. The advisory coun-

cils shall have such duties as are assigned by law or the chairperson of the board. The solid waste advisory council shall make recommendations to the board on its solid waste management activities. The hazardous waste advisory council shall make recommendations to the board on its activities under article II, sections 5, 6, 7, and 8, and article III, sections 3, 4, 6, and 7. Members of the advisory councils shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the chairperson of the board.

Subd. 2. [TECHNICAL ADVISORY COUNCIL.] The chairperson of the board shall establish an interagency technical advisory council to advise the board and the chairperson on such matters as the board, through its chairperson, deems necessary. The members of the council shall be the commissioner of health; the commissioner of agriculture; the commissioner of natural resources; the commissioner of economic development; the director of the pollution control agency; the director of the energy agency; the director of the state planning agency; and such other heads of agency as the chairperson of the board deems necessary; or their designees. The council shall meet at the call of the chairperson of the board who shall serve as chairperson of the council. The members, collectively and individually shall advise the board and the chairperson on matters within their various areas of expertise and shall provide technical assistance and information as requested by the board through its chairperson.

Sec. 10. [BOARD; EXPIRATION.] The board shall cease to exist on June 30, 1987.

Sec. 11. [LEGISLATIVE COMMISSION ON WASTE MANAGEMENT.] Subdivision 1. [CREATION, MEMBERSHIP, VACANCIES.] There is created in the legislative branch a legislative commission on waste management. The commission shall consist of ten members appointed as follows:

(1) Five members of the senate to be appointed by the subcommittee on committees and to serve until their successors are appointed;

(2) Five members of the house to be appointed by the speaker and to serve until their successors are appointed;

(3) Vacancies occurring on the commission shall not affect the authority of the remaining members of the commission to carry out the functions thereof, and such vacancies shall be filled in the same manner as the original positions.

Subd. 2. [STAFF.] The commission is authorized, without regard to the civil service laws and regulations, to appoint and fix the compensation of such additional legal and other personnel and consultants as may be necessary to enable it to carry out its

functions, or to contract for services to supply necessary data, except that any state employees subject to the civil service laws and regulations who may be assigned to the commission shall retain civil service status without interruption or loss of status or privilege. The staff shall be hired and supervised for the commission by the executive director of the legislative commission on Minnesota resources.

Subd. 3. [DATA FROM STATE AGENCIES; AVAILABILITY.] *The commission may request information from any state officer or agency in order to assist it in carrying out its duties and such officer or agency is authorized and directed to promptly furnish any data required, subject to applicable requirements or restrictions imposed by sections 15.162 to 15.17.*

Subd. 4. [POWERS AND DUTIES.] *The commission shall review the biennial report of the board. The commission shall oversee the activities of the board under articles I to VIII and the activities of the agency under articles V and VI, and direct such changes or additions in the work plan of the board and agency as it deems fit. The commission may conduct public hearings and otherwise secure data and expressions of opinion. The commission shall make such recommendations as it deems proper to assist the legislature in formulating legislation. Any data or information compiled by the commission shall be made available to any standing or interim committee of the legislature upon request of the chairperson of the respective committee.*

Subd. 5. [STUDY.] *The commission shall study alternative methods of insuring that an adequate supply of solid waste will be available to resource recovery facilities and report to the appropriate policy committees of the house of representatives and senate before January 1, 1982. The commission shall, at a minimum, consider the relative merits of the required use provisions described in article VIII, section 9, article IX, section 8, and article X, section 14, and other mechanisms designed to facilitate resource recovery by raising costs of landfill alternatives or lowering costs of disposal at resource recovery facilities.*

Subd. 6. [EXPIRATION.] *The provisions of this section shall expire on June 30, 1987.*

Sec. 12. [STATE GOVERNMENT RESOURCE RECOVERY.] **Subdivision 1. [ESTABLISHMENT OF PROGRAM.]** *There is established within state government a resource recovery program to promote the reduction of waste generated by state agencies, the separation and recovery of recyclable and reusable commodities, the procurement of recyclable commodities and commodities containing recycled materials, and the uniform disposition of recovered materials and surplus property. The program shall be administered by the commissioner of administration.*

Subd. 2. [DUTIES OF COMMISSIONER.] The commissioner of administration shall develop policies to reduce the volume of waste generated by state agencies. The commissioner shall develop and institute procedures for the separation, collection, and storage of used commodities wherever feasible in state agencies and shall establish policies for the reuse, sale, or disposition of recovered materials and surplus property. The commissioner shall promote and publicize the waste reduction and waste separation and recovery procedures on an on going basis to all state employees. The commissioner shall issue guidelines for the procurement of recyclable commodities and commodities containing recycled materials that include definitions of recycled materials, the percentage of recycled materials to be contained in each commodity and performance specifications. To the extent practicable, the guidelines shall be written so as to give preference to recyclable commodities and commodities containing recycled materials. The commissioner shall inform state agencies whenever recycled commodities are available for purchase. The commissioner shall investigate opportunities for the inclusion of local governments and regional agencies in administrative programs to reduce, separate, and recover waste materials. The commissioner shall investigate opportunities for the inclusion of local governments and regional agencies in the resource recovery program.

Subd. 3. [POWERS OF COMMISSIONER.] The commissioner of administration shall have such powers as are necessary to implement and operate the program. All state agencies shall comply with the policies, guidelines, and procedures established by the commissioner pursuant to this section. The commissioner shall have the power to issue orders to compel compliance.

Subd. 4. [STAFF.] The commissioner of administration shall employ an administrator to manage the resource recovery program and other staff and consultants as are necessary to carry out the program.

Subd. 5. [REPORTS.] By January 1, 1981, and each odd-numbered year thereafter, the commissioner of administration shall submit a report to the governor and to the legislative commission summarizing past activities and proposed goals of the program for the following biennium. By July 1, 1980, and each even numbered year thereafter the directors of the energy agency and the pollution control agency shall submit recommendations to the commissioner regarding the operation of the program.

Subd. 6. [RESOURCE RECOVERY REVOLVING ACCOUNT.] Upon the certification of the commissioner of administration, the commissioner of finance shall establish an account in the general services revolving fund, effective June 30, 1980, for the operation of the state government resource recovery program. The revolving account shall consist of all funds

appropriated by the state for the program and all revenues resulting from the sale of used commodities made available for sale as a result of the resource recovery program. The account may be used for all activities associated with the program including payment of administrative and operating costs.

ARTICLE III

COMMERCIAL HAZARDOUS WASTE DISPOSAL FACILITIES

Section 1. [LEGISLATIVE FINDINGS; PURPOSE.] *The legislature finds that proper management of hazardous waste generated in the state is needed to conserve and protect the natural resources in the state and the health, safety, and welfare of its citizens, that the establishment of safe disposal facilities is necessary to properly manage the waste, that this cannot be accomplished solely by the activities of private persons and political subdivisions acting alone or jointly, and that therefore it is necessary to provide a procedure for making final determinations on the locations, sizes, types, and functions of such facilities.*

Sec. 2. [PROCEDURE NOT EXCLUSIVE.] *The procedure established by this article for the permitting of hazardous waste disposal facilities shall not preclude the issuance of permits by the agency pursuant to section 116.07 for disposal facilities at sites not reviewed under this article.*

Sec. 3. [EVALUATION OF SITES.] *The board shall not be required to promulgate rules pursuant to chapter 15 to govern its evaluation and selection of sites for commercial disposal facilities under this article. In evaluating and selecting sites for disposal facilities, the board shall consider at least the following factors:*

(a) *economic feasibility, including proximity to concentrations of generators of the types of hazardous wastes likely to be proposed and permitted for disposal;*

(b) *intrinsic suitability of the sites;*

(c) *federal and state pollution control and environmental protection rules;*

(d) *the risk and effect for local residents, units of government, and the local public health, safety, and welfare, including such dangers as an accidental release of wastes during transportation to a facility or at a facility, water, air, and land pollution, and fire or explosion;*

(e) the consistency of a facility with, and its effect on, existing and planned local land use and development; local laws, ordinances, and permits; and local public facilities and services;

(f) the adverse effects of a facility at the site on agriculture and natural resources and opportunities to mitigate or eliminate such adverse effects by stipulations, conditions, and requirements respecting the design and operation of a disposal facility at the proposed site.

No land shall be excluded from consideration except land determined by the agency to be intrinsically unsuitable for the use intended.

Sec. 4. [CANDIDATE SITES.] Subdivision 1. [SELECTION.] By August 1, 1981, the board shall select six locations in the state, no more than one site per county, as candidate sites for commercial disposal facilities for hazardous waste. No location shall be selected as a candidate site unless the agency certifies its intrinsic suitability for the use intended. The board shall consult with the agency and the private waste management industry in selecting candidate sites. Any sites proposed in applications for permits for disposal facilities being reviewed by the agency on August 1, 1981, may be included by the board as candidate sites, provided the agency certifies the intrinsic suitability of the sites.

Subd. 2. [PROCEDURE.] As soon as practicable, the board through its chairperson shall publish a request soliciting proposals and permit applications for hazardous waste disposal facilities from potential developers and operators of such facilities. Notice of the request shall be published in the state register and newspapers of general circulation in the state and shall be transmitted to all regional development commissions, the metropolitan council, and all counties in the state. The board may select conceptual design and operating specifications for a variety of hazardous waste disposal facilities in sufficient detail and extent in the judgment of the board to assist the evaluation of sites and the selection of candidate sites. By November 1, 1980, the board through its chairperson shall notify each regional development commission, or the metropolitan council, and each local government unit within whose jurisdiction the board intends to search for candidate sites. The notification shall explain the selection of the jurisdiction as a search area; shall summarize any conceptual specifications and the evaluation factors, criteria, standards, and procedures the board intends to use in selecting candidate sites; and shall describe the relationship of the candidate site selection process to the other review procedures under this article and the hazardous waste reports and plans required under article II. The notification shall request recommendations and suggestions from each such commission, the metropolitan council, and local government unit on the criteria, standards, and procedures the board should use in selecting candidate sites within the time allowed. The board through

its chairperson shall make a written response to any recommendations, explaining its disposition of the recommendations. By May 1, 1981, the board shall propose at least six locations as candidate sites and shall publish notice in the state register and newspapers of general circulation in the state and shall notify by mail all regional development commissions, or the metropolitan council, and local government units containing a proposed candidate site. Any person objecting to the agency's certification or the board's proposal of a site for candidacy shall have 30 days in which to request a hearing. If a hearing is requested, the hearing shall be ordered by the chairperson of the board and shall be conducted in a manner consistent with the completion of the proceedings and the examiner's report to the agency and board in the time allowed by this section. The hearing examiner may consolidate hearings. No action of the board shall be held invalid by reason of the board's failure to notify any of the entities listed in this subdivision.

Subd. 3. [MORATORIUM.] *A moratorium is hereby imposed on all development, except hazardous waste facilities, within each proposed or candidate site identified pursuant to this section and in a buffer area identified by the board surrounding and at least equal in area to the site. The moratorium on candidate sites and buffer areas shall extend until six months following final action of the board pursuant to this article. No development shall be allowed to occur within a proposed site or buffer area during the period of the moratorium. No land use control of any political subdivision shall permit development, nor shall any political subdivision sanction or approve any subdivision, permit, license, or other authorization which would allow development to occur.*

Sec. 5. [PARTICIPATION BY AFFECTED LOCALITIES.]
Subdivision 1. [GENERAL.] *In order systematically to involve those who would be affected most directly by disposal facilities in all decisions leading to their establishment, the board's decisions on reports referred to in subdivision 7, the preliminary specifications under section 6, and the certification of need required under section 7 shall not be made until after the establishment of local project review committees for each candidate site, with representation on the board, pursuant to this section.*

Subd. 2. [ESTABLISHMENT OF LOCAL PROJECT REVIEW COMMITTEES.] *A local project review committee shall be established for each location selected as a candidate site. The local committee shall exist, and its members shall serve, so long as the location for which the committee was formed is a candidate site or, for the site or sites finally chosen, until the commencement of the operation of the facility at that site.*

Subd. 3. [MEMBERSHIP ON LOCAL COMMITTEES.] *By September 1, 1981, the governor shall appoint the chairperson*

and members of each local project review committee, ensuring a balanced representation of all parties with a legitimate and direct interest in the outcome of the project review. The governor shall consult particularly with affected local units of government before selecting members. Members may be added to the local committee from time to time by the governor.

Subd. 4. [APPOINTMENT OF TEMPORARY BOARD MEMBERS.] By October 1, 1981, each local committee shall select a temporary board member to be added to the board for the purposes of the reports, certifications, and review conducted under this article. Temporary board members may be members of the local project review committee, and they shall be residents of the county where the candidate site is located.

Subd. 5. [DUTIES OF LOCAL COMMITTEES.] During the review, the local project review committee shall: inform affected local communities, government units, and residents of the proposed land containment and disposal facilities and of the planning and environmental review process relating to the proposed facilities; solicit and record local attitudes and concerns respecting the proposed facilities and represent and communicate such attitudes and concerns to the board, the legislative commission, the environmental quality board, the agency, and other units and agencies of government; and act as a forum for the exchange of local attitudes and concerns and the development, where possible, of local consensus.

Subd. 6. [TECHNICAL ASSISTANCE; GRANTS.] To assist local project review committees to participate in the certification of need and the review process, the board through its chairperson shall make grants to the committees to be used to employ staff, pay administrative expenses, or contract with qualified consultants. The board through its chairperson shall ensure the delivery to the committees of technical information and assistance by appropriate state agencies.

Subd. 7. [HAZARDOUS WASTE MANAGEMENT REPORTS.] The chairperson and the board shall prepare and submit the hazardous waste management reports required by article II, section 5, subdivisions 4 and 5, in consultation with the local project review committees. The chairperson and the board shall request recommendations from the local committees and shall consult with the committees on the board's intended disposition of the recommendations. The reports of the board shall summarize the recommendations of the committees and the board's response to the recommendations. Before submitting the reports, the board shall hold at least one public meeting in each county in which a candidate site is located. A majority of the permanent members shall be present at each meeting. Notice of the meeting shall be published in a newspaper or newspapers of general circulation in the area for two successive weeks ending at least 15 days before the date of the meeting.

The notice shall describe the proposed facilities, the proposed location, the purpose of the board's report to the legislature, and the subsequent and related activities of the board.

Sec. 6. [DISPOSAL FACILITIES; PRELIMINARY DESIGN AND OPERATING SPECIFICATIONS.] *By January 1, 1982, the board shall select, for further study and consideration, design and operating specifications for a variety of disposal facilities for hazardous waste in sufficient detail and extent in the judgment of the agency to allow the agency to begin preparing an environmental impact statement on the alternative facilities at each of the candidate sites pursuant to section 8. The preliminary design and operating specifications shall not be final and shall not preclude the consideration of other specifications nor foreclose the subsequent addition by the board of other disposal facility alternatives.*

Sec. 7. [CERTIFICATION OF NEED.] *By May 1, 1982, on the basis of and consistent with its hazardous waste management plan adopted under article II, section 8, the board shall issue a certificate or certificates of need for disposal facilities for hazardous wastes in the state. The certificate or certificates shall indicate the types and volumes of waste for which disposal facilities are and will be needed through the year 2000 and the number, types, sizes, general design and operating specifications, and function or use of the disposal facilities needed in the state. The board shall certify need only to the extent that the board has determined that there are no feasible and prudent alternatives including waste reduction, separation, pretreatment, processing, and resource recovery which would minimize adverse impact upon natural resources, provided that the board shall require the establishment of at least one commercial disposal facility in the state. Economic considerations alone shall not justify certification nor the rejection of alternatives. Alternatives that are speculative and conjectural shall not be deemed to be feasible and prudent. The certificate or certificates shall not be subject to the provisions of chapter 15 but shall be the final determination required on the matters decided by the certificate or certificates and shall have the force and effect of law. The certificate or certificates shall not be amended for five years. The board and the permitting agencies, in reviewing and selecting sites, completing environmental impact statements, and issuing approvals and permits for waste disposal facilities described in the certificate or certificates of need, shall not reconsider matters determined in the certification. The board and the permitting agencies shall be required to make a final decision approving the establishment of facilities consistent with the certification. The board and the permitting agencies shall be required to make a final decision approving the establishment of at least one commercial disposal facility for hazardous waste in the state.*

Sec. 8. [AGENCY; ENVIRONMENTAL REVIEW PROCEDURES.] *Subdivision 1. [ENVIRONMENTAL IMPACT*

STATEMENT.] *An environmental impact statement meeting the requirements of chapter 116D shall be completed by the agency on disposal facilities at each candidate site. The statement shall be finally accepted or rejected within 120 days following the issuance of a certificate or certificates of need under section 7.*

Subd. 2. [PUBLIC DISCLOSURE.] *Before commencing preparation of the environmental impact statement, the agency shall issue a document summarizing and making full disclosure of the intended objectives and contents of the environmental impact statement and the environmental review. Announcement of the disclosure shall be published in the state register. The disclosure shall:*

(a) *identify the candidate sites;*

(b) *summarize preliminary design and operating specifications and indicate where and when the specifications are available for inspection;*

(c) *describe as fully as possible the object of the review, including the significant actions, issues, alternatives, types of impacts, and compensation and mitigation measures expected to be addressed in the statement; the depth of the analysis expected; and subjects which the statement will not address in depth because they have been disposed of previously or because they are believed to be insignificant or remote and speculative;*

(d) *identify, by reference and brief summary, any related planning activities and environmental reviews which have been, are being, or will be conducted, and the substantive, chronological, and procedural relationship between the proposed review and the other activities and reviews;*

(e) *identify the membership and address of the local project review committees and the names of the local representatives on the board;*

(f) *summarize the comments and suggestions received from the public pursuant to subdivision 3 and the agency's response.*

Subd. 2. [PUBLIC PARTICIPATION PROCEDURES.] *The public disclosure document shall be issued following diligent effort to involve the public in determining the objective and contents of the environmental impact statement. At least one public meeting shall be held in each county with a candidate site. The advice of the board, facility developers, state agencies, the local project review committees, and local units of government shall be actively solicited. The agency may engage the state hearing examiner to conduct meetings and make recommendations concerning the review. Each local project review committee shall*

present to the agency a written report summarizing local concerns and attitudes about the proposed action and the specific issues which the local communities and residents wish to see addressed in the environmental review.

Sec. 9. [AGENCIES; PERMIT CONDITIONS.] *Within 60 days following the acceptance of the final environmental impact statement, and after consulting with the board, facility developers, affected local government units, and the local project review committees, each permitting state agency shall issue a notice of intent to issue permits, indicating the terms, conditions, and requirements of agency approval for all permits needed at each candidate site for the establishment of the facilities described in the board's certification of need. The agency decisions shall be consistent with the establishment of facilities in accordance with the certification of need.*

Sec. 10. [HEARINGS.] *Subdivision 1. [AGENCY HEARINGS.] Any person objecting to a notice of intent to issue permits shall have 30 days in which to request a hearing. The hearing shall be ordered by the commissioner or director of the agency involved and shall be conducted by the state office of hearing examiners in the manner provided for contested cases in chapter 15. The hearing examiner may consolidate hearings on agency notices as he deems appropriate. The hearing shall be held in the county where the candidate site is located. A majority of the permanent members of the board shall be present at the agency hearing. The proceeding shall be completed and the examiner's report submitted to the permitting agency within 90 days following the issuance of the agency's notice of intent. Within 60 days following the hearing examiner's report and after consulting with the board, facility developers, affected local government units, and the local project review committee, the permitting agency shall revise its notice of intent as it deems appropriate and shall reissue the notice.*

Subd. 2. [BOARD HEARINGS.] Within 90 days following the issuance of agency notice of intent under section 9, the board shall conduct a hearing in each county containing a candidate site, for the purpose of receiving testimony on the sites and facilities to be established. The hearings shall be ordered by the chairperson of the board and shall be conducted concurrently with any agency hearing regarding the site held pursuant to subdivision 1. The subject of the board hearing shall not extend to matters previously decided in the board's certificate of need. The hearing shall be conducted for the board by the state office of hearing examiner's in a manner determined by the hearing examiner to be consistent with the completion of the proceedings in the time allowed. The proceedings shall not be deemed a contested case under chapter 15. A majority of the permanent members of the board shall be present at the hearing.

Sec. 11. [FINAL ACTION.] *Subdivision 1. [DECISION OF BOARD.] Within 60 days following final agency decisions on permits pursuant to section 9 and section 10, subdivision 1, and after consulting with private facility developers, the agency, affected local government units, and the local project review committees, the board shall finally select the site or sites for the facilities and shall submit or cause to be submitted final permit applications. If the chairperson of the board determines that an agency notice of intent has been substantially revised following hearings held pursuant to section 10, subdivision 1, the chairperson shall order a public hearing to receive further testimony on the sites and facilities to be established. The proceeding shall be conducted as provided in section 10, subdivision 2, except that hearings shall not be separately held in the affected counties and the issues relating to all agency notices shall be considered at one hearing. The board's decision and final permit applications shall embody all terms, conditions, and requirements of the permitting agencies, provided that the board may: (a) finally resolve any conflicts between state agencies regarding permit terms, conditions, and requirements, and (b) require more stringent terms, conditions, and requirements respecting the facility as may be consistent with the certification of need and the agency rules and permit conditions. The board's resolution of conflicts under clause (a) shall be in favor of the more stringent terms, conditions, and requirements. The board's decision and the permit applications shall provide for the establishment of facilities consistent with the board's certification of need.*

Subd. 2. [BOARD'S DECISION PARAMOUNT.] The board's decision under subdivision 1 shall be final and shall supersede and preempt requirements of state agencies and political subdivisions, excepting only those terms, conditions, and requirements of permitting agencies embodied in the board's decision and except as provided in subdivision 3. The permitting agencies shall issue permits within 60 days following and in accordance with the board's final decision, and all permits shall conform to the terms, conditions, and requirements of the board's decision. No charter provision, ordinance, regulation, permit, or other requirement of any state agency or political subdivision shall prevent or restrict the establishment, operation, expansion, continuance, or closure of a facility in accordance with the final decision of the board and permits issued pursuant thereto.

Subd. 3. [LOCAL REQUIREMENTS.] A political subdivision may impose reasonable requirements respecting the construction, inspection, operation, monitoring, and maintenance of a facility. Any such requirements shall be subject to review by the agency to determine their reasonableness and consistency with the establishment and use of a facility in accordance with the final decision of the board and permits issued pursuant thereto. The agency may approve, disapprove, suspend, modify, or reverse any such requirements. The decision of the agency shall be final.

Sec. 12. [RECONCILIATION AND INTERVENTION PROCEDURES.] *Subdivision 1. [REPORTS TO LEGISLATIVE COMMISSION.]* At least 30 days before making final decisions on final site selection and permit application under section 11, the board through its chairperson may report to the legislative commission describing permit conditions or requirements being considered which are not within the existing authority of the agency or the board or which would require legislation or public financial assistance. The report shall not raise issues previously decided by the board's certification of need. In any such report the chairperson of the board may request intervention in the review pursuant to subdivisions 2 and 3.

Subd. 2. [PRE-INTERVENTION ASSESSMENT.] If the legislative commission determines that intervention might be warranted under the terms of subdivision 1, the commission may suspend the review process for up to 60 days to allow a pre-intervention assessment. The pre-intervention assessment shall be conducted by an independent, impartial, and qualified public intervenor appointed by the commission with the advice and consent of the parties to the dispute. The intervenor shall report to the commission. The report shall include:

(a) an assessment of whether the dispute is ripe for mediation and whether the parties are willing to mediate;

(b) an assessment of whether, within the terms of subdivision 1, substantive issues exist which were not decided by the certification of need and which cannot be resolved effectively through normal administrative and judicial procedures;

(c) a preliminary definition of the facts and issues in dispute and actions and decisions being considered;

(d) a description of the diverse parties having a legitimate and direct interest in the outcome of the dispute.

Subd. 3. [SUSPENSION OF REVIEW PROCESS; INTERVENTION PROCEEDING.] Following the report of the intervenor, the legislative commission may suspend the review process for an additional period not to exceed 90 days for an intervention proceeding. The intervention proceeding shall not consider issues previously decided by the board's certification of need. The intervenor shall be in charge of the intervention proceeding and may call for such participation and establish such procedures as he deems necessary and appropriate to facilitate agreement. The intervenor shall keep the chairperson of the legislative commission informed on the progress of the intervention proceeding, particularly with respect to agreements or proposed agreements which may require action or decisions not within the authority of the agency or board, legislative action, or public financial assistance. The intervenor shall make recommendations to the commission respecting any such agreements

or proposed agreements. The commission may make recommendations to the intervenor respecting any such agreement or proposed agreement. If the commission approves of an agreement, or a decision based upon an agreement, which requires action or decisions not within the authority of the agency or board, legislative action, or public financial assistance, the commission shall cause the matter and recommendations to be submitted to the legislature for consideration.

Sec. 13. [JUDICIAL REVIEW.] Any civil action maintained by or against the agency or board under this article shall be brought in the county where the board is located and shall take precedence over all other matters of a civil nature and be expedited to the maximum extent possible. Any person aggrieved by a final decision of the board authorizing facilities under this article may appeal therefrom within 30 days as provided in chapter 15. No civil action shall be maintained pursuant to section 116B.03 with respect to conduct taken by a person pursuant to any environmental quality standard, limitation, regulation, rule, order, license, stipulation agreement or permit issued by the board under this article. Notwithstanding any provision of chapter 116B to the contrary, in any action brought under that chapter with respect to any decision or conduct undertaken by any person or the board or agency pursuant to this article after the period for appeal under this section has lapsed, the plaintiff shall have the burden of proving that the evidence required under section 116B.10 was not reasonably available within the time provided for appeal. The trial court shall, upon motion of any prevailing non-governmental party, award costs, disbursements, reasonable attorney's fees, and reasonable expert witness fees, if the court finds the action hereunder was commenced or defended in bad faith or was frivolous.

ARTICLE IV

Section 1. [RULES.] The board shall promulgate rules pursuant to chapter 15 to govern its activities under article IV.

Sec. 2. [ELIGIBILITY; REQUEST FOR REVIEW.] The following persons shall be eligible to request supplementary review by the board pursuant to this article: (a) a generator of sewage sludge within the state who has been issued permits by the agency for a facility to dispose of sewage sludge or solid waste resulting from sewage treatment; (b) a political subdivision which has been issued permits by the agency, or a political subdivision acting on behalf of a person who has been issued permits by the agency, for a solid waste facility which is no larger than 250 acres, not including any proposed buffer area, and located outside the metropolitan area; (c) a generator of hazardous waste within the state who has been issued permits by the agency for a hazardous waste facility to be owned and operated by the generator, on property owned by the generator, and to be used by the generator for managing the hazardous wastes

produced by the generator only; (d) a person who has been issued permits by the agency for a commercial hazardous waste processing facility at a site included in the board's inventory of preferred sites for such facilities adopted pursuant to article II, section 6. The metropolitan waste control commission shall not be eligible to request review under clause (a) for a sewage sludge disposal facility. The metropolitan waste control commission shall not be eligible to request review under clause (a) for a solid waste facility with a proposed permitted life of longer than four years. The board may require completion of a plan conforming to the requirements of article V, section 5, before granting review under clause (b). A request for supplementary review shall show that the required permits for the facility have been issued by the agency and that a political subdivision has refused to approve the establishment or operation of the facility.

Sec. 3. [APPOINTMENT OF TEMPORARY BOARD MEMBERS.] Within 45 days of the submission of a request determined by the board to satisfy the requirements for review under this article, temporary board members shall be added to the board for the purpose of the supplementary review. Three members shall be selected by the governing body of the city or town in which the chairperson of the waste management board determines the facility would be principally located, and three members shall be selected by the governing body of the county in which the chairperson of the waste management board determines the proposed facility would be principally located. If the proposed facility is located in unorganized territory, all six members shall be selected by the governing board of the county. Temporary members shall be residents of the county in which the proposed facility would be located and shall be selected to represent broadly the local interests that would be directly affected by the proposed facility. At least one member appointed by the city or town shall live within one mile of the proposed facility, and at least one member appointed by the county shall be a resident of a city or town in which the proposed facility would be located. Temporary board members shall serve for terms lasting until the board has taken final action on the facility.

Sec. 4. [REVIEW PROCEDURE.] The board shall meet to commence the supplementary review within 90 days of the submission of a request determined by the board to satisfy the requirements for review under this section. At the meeting commencing the review the chairperson shall recommend and the board establish a scope and procedure, in accordance with the rules of the board, for review and final decision on the proposed facility. The procedure shall require the board to make a final decision on the proposed facility within 90 days following the commencement of review. The procedure shall require the board to hold, at the call of the chairperson, at least one public hearing in the county within which the proposed facility would be located. A majority of permanent members of the board shall be present at the hearing. The hearing shall be conducted for the

board by the state office of hearing examiners in a manner determined by the hearing examiner to be consistent with the expeditious completion of the proceedings as required by this article. The hearing shall not be deemed a contested case under chapter 15. Notice of the hearing shall be published in a newspaper or newspapers of general circulation in the area for two successive weeks ending at least 15 days before the date of the meeting. The notice shall describe the proposed facility, its location, the permits, and the board's scope and procedure for review. The notice shall identify a location or locations within the city or town and county where the permit applications, the agency permits, and the board's scope and procedure for review are available for review and where copies may be obtained.

Sec. 5. [SCOPE AND CONTENT OF REVIEW.] *In its review and final decision on the proposed facility, the board shall consider at least the following matters:*

(a) *the risk and effect of the proposed facility on local residents, units of government, and the local public health, safety, and welfare, including such dangers as an accidental release of wastes during transportation to the facility, water, air, and land pollution, and fire or explosion where appropriate, and the degree to which the risk or effect may be alleviated;*

(b) *the consistency of the proposed facility with, and its effect on, existing and planned local land use and development; local laws, ordinances, and permits; and local public facilities and services;*

(c) *the adverse effects of the facility on agriculture and natural resources and opportunities to mitigate or eliminate the adverse effects by additional stipulations, conditions, and requirements respecting the proposed facility at the proposed site;*

(d) *the need for the proposed facility, especially its contribution to abating solid and hazardous waste disposal, the availability of alternative sites, and opportunities to mitigate or eliminate need by additional and alternative waste management strategies or actions of a significantly different nature;*

(e) *whether, in the case of solid waste resource recovery facilities, the applicant has considered the feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed project and has compared and evaluated the costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators.*

Sec. 6. [FINAL DECISION OF BOARD.] *Subdivision 1. [APPROVAL OR DISAPPROVAL.] In its final decision on the proposed facility, the board may either approve or disapprove the proposed facility at the proposed site. The board's approval shall embody all terms, conditions, and requirements of the per-*

mitting agencies, provided that the board may: (a) finally resolve any conflicts between state agencies regarding permit terms, conditions, and requirements, and (b) require more stringent permit terms, conditions, and requirements respecting the design, construction, operation, inspection, monitoring, and maintenance of the proposed facility at the proposed site. The board's resolution of conflicts under clause (a) shall be in favor of the more stringent terms, conditions, and requirements.

Subd. 2. [DECISION PARAMOUNT.] The decision of the board to approve a facility shall be final and shall supersede and preempt requirements of state agencies and political subdivisions, excepting only those terms, conditions, and requirements of permitting agencies embodied in the board's approval and except as provided in subdivision 3. The permitting agencies shall issue or amend the permits for the facility within 60 days following and in accordance with the final decision of the board, and all permits shall conform to the terms, conditions, and requirements of the board's decision. No charter provision, ordinance, regulation, permit, or other requirement of any state agency or political subdivision shall prevent or restrict the establishment, operation, expansion, continuance, or closure of the facility in accordance with the final decision of the board and permits issued pursuant thereto.

Subd. 3. [LOCAL REQUIREMENTS.] A political subdivision may impose reasonable requirements respecting the construction, inspection, operation, monitoring, and maintenance of a facility. Any such requirements shall be subject to review by the agency to determine their reasonableness and consistency with the establishment and use of a facility in accordance with the final decision of the board and permits issued pursuant thereto. The agency may approve, disapprove, suspend, modify, or reverse any such requirements. The decision of the agency shall be final.

Sec. 7. [RECONCILIATION PROCEDURES.] Subdivision 1. [REPORTS TO LEGISLATIVE COMMISSION.] At least 30 days before making a final decision under section 6 in a review brought pursuant to section 2, clause (d), the board through its chairperson may report to the legislative commission describing permit conditions or requirements being considered which are not within the existing authority of the agency or the board or which would require legislation or public financial assistance. In any such report the chairperson of the board may request intervention in the review pursuant to subdivisions 2 and 3.

Subd. 2. [PRE-INTERVENTION ASSESSMENT.] If the legislative commission determines that intervention might be warranted under the terms of subdivision 1, the commission may suspend the review process for up to 60 days to allow a pre-intervention assessment. The pre-intervention assessment shall be conducted by an independent, impartial, and qualified public intervenor appointed by the commission with the advice

and consent of the parties to the dispute. The intervenor shall report to the commission. The report shall include:

(a) an assessment of whether the dispute is ripe for mediation and whether the parties are willing to mediate;

(b) an assessment of whether, within the terms of subdivision 1, substantive issues exist which cannot be resolved effectively through normal administrative and judicial procedures;

(c) a preliminary definition of the facts and issues in dispute and actions and decisions being considered;

(d) a description of the diverse parties having a legitimate and direct interest in the outcome of the dispute.

Subd. 3. [SUSPENSION OF REVIEW PROCESS; INTERVENTION PROCEEDING.] Following the report of the intervenor, the legislative commission may suspend the review process for an additional period not to exceed 90 days for an intervention proceeding. The intervenor shall be in charge of the intervention proceeding and may call for such participation and establish such procedures as he deems necessary and appropriate to facilitate agreement. The intervenor shall keep the chairman of the legislative commission informed on the progress of the intervention proceeding, particularly with respect to agreements or proposed agreements which may require action or decisions not within the authority of the agency or board, legislative action, or public financial assistance. The intervenor shall make recommendations to the commission respecting any such agreements or proposed agreements. The commission may make recommendations to the intervenor respecting any such agreement or proposed agreement. If the commission approves of an agreement, or a decision based upon an agreement, which requires action or decisions not within the authority of the agency or board, legislative action, or public financial assistance, the commission shall cause the matter and recommendations to be submitted to the legislature for consideration.

Sec. 8. [JUDICIAL REVIEW.] Judicial review with respect to conduct or decisions in supplementary reviews brought pursuant to section 2, clauses (c) or (d), shall be as provided in article III, section 13.

ARTICLE V

SOLID WASTE MANAGEMENT PLANNING ASSISTANCE PROGRAM

Section 1. [ESTABLISHMENT AND ADMINISTRATION.] There is established a planning assistance program to provide technical and financial assistance to political subdivisions of

the state for the purpose of encouraging and improving regional and local solid waste management planning activities and efforts. The program shall be administered by the agency pursuant to rules promulgated under chapter 15, except in the metropolitan area where the program shall be administered by the metropolitan council pursuant to chapter 473. The agency and the metropolitan council shall ensure conformance with federal requirements and programs established pursuant to the Resource Conservation and Recovery Act of 1976 and amendments thereto.

Sec. 2. [ELIGIBLE RECIPIENTS.] *Political subdivisions shall be eligible for assistance under the program.*

Sec. 3. [FINANCIAL ASSISTANCE.] *Eligible recipients may receive grants for up to 50 percent of the cost of the planning activity, except that planning by a regional development commission and joint planning by two or more contiguous counties or political subdivisions located in two or more contiguous counties may receive grants for up to 100 percent of the cost of the planning activity. Financial assistance provided under the program may be used to employ staff, contract with other units of government or qualified consultants, and pay such other planning expenses as the agency or metropolitan council may allow.*

Sec. 4. [TECHNICAL ASSISTANCE.] *The agency and metropolitan council shall provide for technical assistance for eligible recipients. The agency and metropolitan council shall provide model plans for regional and local solid waste management. The agency and metropolitan council may contract for the delivery of technical assistance by a regional development commission, any state or federal agency, or private consultants. The agency shall prepare and publish an inventory of sources of technical assistance for solid waste planning, including studies, publications, agencies, and persons available.*

Sec. 5. [CONTENTS.] *Political subdivisions preparing plans under this article are encouraged to consult with persons presently providing solid waste collection, processing, and disposal services in the preparation of the plan. Plans prepared by local units of government in the metropolitan area shall conform to the requirements of chapter 473. Plans prepared by political subdivisions outside the metropolitan area with assistance from the program shall conform to the requirements of this section. The plans shall describe existing collection, processing, and disposal systems, including schedules of rates and charges, financing methods, environmental acceptability, and opportunities for improvements in the systems. The plans shall include an estimate of the land disposal capacity in acre-feet which will be needed through the year 2000, on the basis of current and projected waste generation practices. The plans shall contain an assessment of opportunities to reduce the need for land disposal through waste reduction and resource recovery, the alternative degrees of reduction achievable, and a comparison*

of the costs of alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators. The plans shall establish a siting procedure and development program to assure the orderly location, development, and financing of new or expanded solid waste facilities and services sufficient for a prospective ten-year period, including estimated costs and implementation schedules, proposed procedures for operation and maintenance, estimated annual costs and gross revenues, and proposals for the use of facilities after they are no longer needed or usable. The plans shall describe existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste management and shall describe existing and proposed regulation and enforcement procedures. Plans for location, establishment, operation, maintenance, and post-closure use of facilities and facility sites, for ordinances, and for licensing, permit, and enforcement activities shall be consistent with the rules adopted by the agency pursuant to chapter 116. The plans shall address the resolution of conflicting, duplicative, or overlapping local management efforts. The plans shall address the establishment of joint powers management programs or waste management districts where appropriate. The plans shall address other matters as the rules of the agency may require consistent with the purposes of article V.

ARTICLE VI

SOLID WASTE MANAGEMENT DEMONSTRATION PROGRAM

Section 1. [ESTABLISHMENT; PURPOSES AND PRIORITIES.] *There is established a solid waste management demonstration program to encourage and assist cities, counties, and solid waste management districts in the development and implementation of solid waste management projects of potential state wide application or significance and to transfer the knowledge and experience gained from such projects to other communities in the state. The program shall be administered so as to demonstrate the application of feasible and prudent alternatives to disposal, including waste reduction; waste separation by generators, collectors, and other persons; and waste processing. The program shall be administered by the agency and the board in accordance with the requirements of article VI and rules promulgated by the agency and the board pursuant to chapter 15. In administering the program, the agency and the board shall give priority to areas where natural geologic and soil conditions are unsuitable for land disposal of solid waste and areas where the capacity of existing solid waste disposal facilities is determined by the agency or the board to be less than five years. In areas outside the metropolitan area, the agency and the board shall also give priority to projects serving more than one local government unit.*

Sec. 2. [ELIGIBLE RECIPIENTS.] *Eligible recipients for assistance under the program shall be limited to cities, counties, and solid waste management districts established pursuant to article VIII. Eligible recipients may apply for assistance under sections 4 and 5 on behalf of other persons.*

Sec. 3. [APPLICATION REQUIREMENTS.] *Applications for assistance under the program shall demonstrate: (a) that the project is conceptually and technically feasible; (b) that affected political subdivisions are committed to implement the project, to provide necessary local financing, and to accept and exercise the government powers necessary to the project; (c) that operating revenues from the project, considering the availability and security of sources of solid waste and of markets for recovered resources, together with any proposed federal, state, or local financial assistance, will be sufficient to pay all costs over the projected life of the project; (d) that the applicant has evaluated the feasible and prudent alternatives to disposal and has compared and evaluated the costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators. The agency or the board may require completion of a comprehensive solid waste management plan conforming to the requirements of article V, section 5, before accepting an application.*

Sec. 4. [TECHNICAL ASSISTANCE FOR DEMONSTRATION PROJECTS.] *The agency and the board shall ensure the delivery of the technical assistance necessary for proper implementation of each demonstration project funded under the program. The agency and the board may contract for the delivery of technical assistance by any state or federal agency, a regional development commission, the metropolitan council, or private consultants and may use program funds to reimburse the agency, commission, council, or consultants. The agency and the board shall prepare and publish an inventory of sources of technical assistance, including studies, publications, agencies, and persons available. The agency and the board shall ensure statewide benefit from projects assisted under the demonstration program by developing exchange and training programs for local officials and employees and by using the experience gained in demonstration projects to provide technical assistance and education for other solid waste management projects in the state.*

Sec. 5. [WASTE REDUCTION AND SEPARATION PROJECTS.] *The agency shall provide technical assistance and grants to projects which demonstrate waste reduction; waste separation by generators, collectors, and other persons; and collection systems for separated waste. Activities eligible for assistance under this section include legal, financial, economic, educational, marketing, social, governmental, and administrative activities related to the implementation of the project. Preliminary planning and development, feasibility study, and conceptual design costs shall also be eligible activities, but no more than 20*

percent of program funds shall be used to fund those activities. The rules of the agency shall prescribe the level or levels of local funding required for grants under this section.

Sec. 6. [WASTE PROCESSING FACILITIES.] *Subdivision 1. [PURPOSES; PUBLIC INTEREST; DECLARATION OF POLICY.] The legislature finds that the establishment of waste processing facilities and transfer stations serving such facilities is needed to manage properly the solid waste generated in the state and to conserve and protect the natural resources in the state and the health, safety, and welfare of its citizens; that opportunities to establish the facilities and transfer stations are not being fully realized by individual political subdivisions or by agreements among subdivisions; and that therefore it is necessary to provide capital assistance to stimulate and encourage the acquisition and betterment of the facilities and transfer stations.*

Subd. 2. [ADMINISTRATION; ASSURANCE OF FUNDS.] *The board shall provide technical and financial assistance for the acquisition and betterment of the facilities and transfer stations from revenues derived from the issuance of bonds authorized by article VII, section 2. Of money appropriated for the purposes of the demonstration program, at least 70 percent shall be distributed as loans, and the remainder shall be distributed as grants. An individual project may receive assistance totaling up to 100 percent of the capital cost of the project and grants up to 50 percent of the capital cost of the project. No grant or loan shall be disbursed to any recipient until the board has determined the total estimated capital cost of the project and ascertained that financing of the cost is assured by funds provided by the state, by an agency of the federal government within the amount of funds then appropriated to that agency and allocated by it to projects within the state, by any person, or by the appropriation of proceeds of bonds or other funds of the recipient to a fund for the construction of the project.*

Subd. 3. [OBLIGATIONS OF RECIPIENT.] *No grant or loan for any project shall be disbursed until the governing body of the recipient has made an irrevocable undertaking, by resolution, to use all funds made available exclusively for the capital cost of the project and to pay any additional amount by which the cost of the project exceeds the estimate by appropriation to the construction fund of additional funds or proceeds of additional bonds of the recipient. The resolution shall also indicate that any subsequent withdrawal of allocated or additional funds of the recipient will impair the obligation of contract between the state of Minnesota, the recipient, and the bondholders. The resolution shall pledge payment to the debt service account of all revenues of the project to the extent that they exceed costs and shall also obligate the recipient to levy a tax sufficient to make timely payments under the loan agreement, if a deficiency occurs in the amount of user charges, taxes, special assessments,*

or other moneys pledged for payment under the loan agreement. Each loan made to a recipient shall be secured by resolutions adopted by the board and the governing body of the recipient, obligating the recipient to repay the loan to the state treasurer in annual installments including both principal and interest. Installments shall be in an amount sufficient to pay the principal amount within the period required by the agency. The interest on the loan shall be calculated on the declining balance at a rate not less than the average annual interest rate on the state bonds of the issue from which proceeds of the loan were made. The resolution shall obligate the recipient to provide money for the repayment from user charges, taxes, special assessments or any other funds available to it.

ARTICLE VII

STATE WASTE MANAGEMENT BONDS

Section 1. [WASTE MANAGEMENT FUND.] *Subdivision 1. [CREATION; RECEIPTS.] The commissioner of finance shall maintain a Minnesota state waste management fund. The fund shall receive the proceeds of state bonds and other money appropriated to the fund and disburse money for the acquisition of real property and interests in real property for hazardous waste facility sites and surrounding buffer areas, as authorized by article II, section 3, subdivision 4, and money to be granted or loaned to political subdivisions pursuant to the waste processing facility capital assistance program created by article VI, section 6. The commissioner of finance and state treasurer shall deposit in the fund as received (a) all proceeds of Minnesota state waste management bonds, except accrued interest and premiums received upon the sale of the bonds; (b) all other money appropriated by law for purposes stated in article VII, and (c) all money granted to the state for those purposes by the federal government or any agency thereof. All the receipts are annually appropriated for the purposes of the fund, and shall remain available until expended.*

Subd. 2. [DISBURSEMENTS.] Disbursements from the fund shall be made at the times and in the amounts authorized by the board in accordance with applicable state laws and the board's rules.

Sec. 2. [MINNESOTA STATE WASTE MANAGEMENT BONDS.] *Subdivision 1. [AUTHORITY TO ISSUE BONDS.] The commissioner of finance shall sell bonds of the state of Minnesota for the prompt and full payment of which, together with interest, the full faith, credit, and taxing powers of the state are irrevocably pledged. Bonds shall be sold only upon request of the board and in the amount as may otherwise be authorized by this or a subsequently enacted law which authorizes the sale of additional bonds and the deposit of the pro-*

ceeds in the state waste management fund. Any authorized amount of bonds in this law or any subsequently enacted law authorizing the issuance of bonds for the purposes of the state waste management fund, together with this section, constitute complete authority for the issue. The bonds shall not be subject to restrictions or limitations contained in any other law.

Subd. 2. [ISSUANCE OF BONDS.] Upon request by the board and upon authorization as provided in subdivision 1, the commissioner of finance shall sell Minnesota state waste management bonds. The bonds shall be in the aggregate amount requested, and sold upon sealed bids upon the notice, at the price, in the form and denominations, bearing interest at the rate or rates, maturing in the amounts and on the dates (without option of prepayment or subject to prepayment upon the notice and at the times and prices), payable at the bank or banks within or outside the state (with provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale or delivery of definitive bonds), and in accordance with any further provisions as the commissioner of finance shall determine. The sale is subject to the approval of the attorney general, but not subject to the provisions of Minnesota Statutes, Sections 15.0411 to 15.0422. The bonds shall be executed by the commissioner of finance and attested by the state treasurer under their official seals. The signatures of the officers on the bonds and any interest coupons and their seals may be printed, lithographed, engraved, or stamped thereon, except that each bond shall be authenticated by the manual signature on its face of one of the officers or of an officer of a bank designated by them as authenticating agent. The commissioner of finance shall ascertain and certify to the purchasers of the bonds the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota, subject to the approval of the attorney general.

Subd. 3. [EXPENSES.] All expenses incidental to the sale, printing, execution, and delivery of bonds pursuant to this section, including but not limited to actual and necessary travel and subsistence expenses of state officers and employees for these purposes, and any expenses of litigation relating to the validity of the bonds, shall be paid from the waste management fund, and the amounts necessary are appropriated from that fund.

Subd. 4. [DEBT SERVICE ACCOUNT IN THE STATE WASTE MANAGEMENT FUND.] The commissioner of finance shall maintain in the Minnesota state waste management fund a separate account to be called the state waste management debt service account. It shall record receipts of premium and accrued interest, loan repayments, project revenue or other money transferred to the fund and income from the investment of the money and record any disbursements to pay the principal and interest on waste management bonds. Income from invest-

ment shall be credited to the account in each fiscal year. The amount credited shall be equal to the average return that year on all funds invested by the state treasurer, as determined by the treasurer, times the average balance in the account that year.

Subd. 5. [APPROPRIATIONS TO DEBT SERVICE ACCOUNT; APPROPRIATION FROM ACCOUNT TO PAY DEBT SERVICE.] *The premium and accrued interest received on each issue of Minnesota state waste management bonds, and all payments received in repayment of loans and other revenues received are appropriated to the debt service account. All income from the investment of the Minnesota state waste management fund is appropriated to the debt service account. In order to reduce the amount of taxes otherwise required to be levied, there is also appropriated to the debt service account from any funds available in the general fund on November 1 in each year, a sum of money sufficient in amount, when added to the balance then on hand, to pay all principal and interest on Minnesota waste management bonds due and to become due before July 1 in the second ensuing year. So much of the debt service account, of the state waste management fund as is necessary to pay principal and interest on waste management bonds is annually appropriated from the debt service account for the payment of principal and interest of the waste management bonds. All funds appropriated by this subdivision shall be available in the debt service account prior to any levy of the tax in any year required by the Minnesota Constitution, Article XI, Section 7.*

Subd. 6. [SECURITY.] *On or before December 1 in each year the state auditor shall levy on all taxable property within the state whatever tax may be necessary to produce an amount sufficient, with all money currently credited to the debt service account, to pay the entire amount of principal and interest currently due and the principal and interest to become due before July 1 in the second year thereafter on Minnesota waste management bonds. This tax shall be levied upon all real property used for the purposes of a homestead, as well as other taxable property, notwithstanding the provisions of Minnesota Statutes, Section 273.13, Subdivisions 6 and 7, and shall be subject to no limitation of rate or amount until all the bonds and interest thereon are fully paid. The proceeds of this tax are appropriated to the debt service account. The principal of and interest on the bonds are payable from the proceeds of this tax.*

Sec. 3. [BOND AUTHORIZATION AND APPROPRIATION OF PROCEEDS.] *The commissioner of finance is authorized, upon request of the board, to sell Minnesota state waste management bonds in the amount of up to \$8,800,000 for the purpose of the waste processing facility capital assistance program under article VI, section 6, and in the amount of up to \$6,200,000 for the purpose of acquiring real property and interests in real property for hazardous waste facility sites and buffer areas as authorized by article II, section 3, subdivision*

4. The bonds shall be sold in the manner and upon the conditions prescribed in article VII, section 2, and in the Minnesota Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except as provided in article VII, section 2, subdivision 5, are appropriated to the Minnesota state waste management fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the waste management fund equal to the aggregate amount of the loans and grants then approved and not previously disbursed, plus the amount of the loans and grants to be approved in the current and the following fiscal year, as estimated by the board.

ARTICLE VIII

SOLID WASTE MANAGEMENT DISTRICTS

Section 1. [PURPOSE; PUBLIC INTEREST; DECLARATION OF POLICY.] *The legislature finds that the development of integrated and coordinated solid waste management systems is needed to manage properly the solid waste generated in the state and to conserve and protect the natural resources in the state and the health, safety, and welfare of its citizens; that this need cannot always be met solely by the activities of individual political subdivisions or by agreements among subdivisions; and that therefore it is necessary to establish a procedure for the creation of solid waste management districts having the powers and performing the functions prescribed in article VIII.*

Sec. 2. [SOLID WASTE MANAGEMENT DISTRICTS.]
Subdivision 1. [LEGAL STATUS.] *Solid waste management districts established pursuant to article VIII shall be public corporations and political subdivisions of the state.*

Subd. 2. [ESTABLISHMENT BY BOARD.] *The board may establish waste districts as public corporations and political subdivisions of the state, define the powers of such districts in accordance with article VIII, define and alter the boundaries of the districts as provided in article VIII, section 3, and terminate districts as provided in article VIII, section 5. The board shall promulgate rules pursuant to chapter 15 governing the establishment, alteration, and termination of districts.*

Subd. 3. [RESTRICTIONS.] *No waste district shall be established within the boundaries of the Western Lake Superior Sanitary District established by Laws 1971, Chapter 478, as amended. No waste district shall be established wholly within one county. The board shall not establish a waste district within or extending into the metropolitan area, nor define or alter the powers or boundaries of a district, without the approval of the metropolitan council. The council shall not approve a district unless the articles of incorporation of the district require that the district will have the same procedural and substantive responsi-*

bilities, duties, and relationship to the metropolitan agencies as a metropolitan county. The board shall not establish a district unless the petitioners demonstrate that they are unable to fulfill the purposes of a district through joint action under Minnesota Statutes, Section 471.59. The board shall require the completion of a comprehensive solid waste management plan conforming to the requirements of article V, section 5, by petitioners seeking to establish a district.

Sec. 3. [PROCEDURE FOR ESTABLISHMENT AND ALTERATION.] Subdivision 1. [LOCAL PETITION.] Waste districts shall be established and their powers and boundaries defined or altered by the board only after petition requesting the action jointly submitted by the governing bodies of petitioners comprising at least one-half of the counties partly or wholly within the district. A petition for alteration shall include a resolution by the board of directors of the district approving the alteration.

Subd. 2. [PETITION CONTENTS.] A petition requesting establishment or alteration of a waste district shall contain the information the board may require, including at least the following:

- (a) the name of the proposed district;
- (b) a description of the territory and political subdivisions within and the boundaries of the proposed district or alteration thereto, along with a map showing the district or alteration;
- (c) resolutions of support for the district, as proposed to the board, from the governing body of each of the petitioning counties;
- (d) a statement of the reason, necessity, and purpose for the district, plus a general description of the solid waste management improvements and facilities contemplated for the district showing how its activities will accomplish the purpose of the district and the purposes for waste resource districts stated in article VIII;
- (e) articles of incorporation stating the powers of the district consistent with article VIII, including a statement of powers proposed pursuant to sections 9 and 10.

After the petition has been filed, no petitioner may withdraw from it except with the written consent of all other petitioners filed with the board.

Subd. 3. [LOCAL REVIEW AND COMMENT.] At least 60 days before submitting the petition to the board, the petitioners shall publish notice of the petition in newspapers of gen-

eral circulation in the proposed district and shall cause a copy of the petition to be served upon the agency, the governing body of each political subdivision which is wholly or partly within the proposed district or is affected by the proposed alteration and each regional development commission affected by the proposed district or alteration. Each entity receiving service shall have 60 days within which to comment to the petitioners on the petition and the proposed district or alteration. Proof of service, along with any comments received, shall be attached to the petition when it is submitted to the board.

Subd. 4. [REVIEW PROCEDURES.] Upon receipt of the petition, the chairperson of the board shall determine whether the petition conforms in form and substance to the requirements of law and rule. If the petition does not conform to the requirements, the chairperson shall return it immediately to the petitioners with a statement describing the deficiencies and the amendments necessary to rectify them. If the petition does conform to the requirements, and if comments have been received objecting to the establishment or alteration of the district as proposed, the chairperson shall request the office of hearing examiners to conduct a hearing on the petition. The hearing shall be conducted in the proposed district in the manner provided in chapter 15 for contested cases. If no comments have been received objecting to the establishment of the district as proposed, the board may proceed to grant or deny the petition without the necessity of conducting a contested case hearing. If the petition conforms to the requirements of law and rule, the chairperson shall also immediately submit the petition to the solid waste and the technical advisory councils of the board for review and recommendation and shall forward the petition to the director of the agency, who shall prepare and submit to the board a report containing recommendations on the disposition of the petition. The director's report shall contain at least the director's findings and conclusions on whether the proposed boundaries, purposes, powers, and management plans of the district or alteration thereto serve the purposes of waste resource districts, are appropriately related to the waste generation, collection, processing, and disposal patterns in the area, and are generally consistent with the purposes of the agency's regulatory program.

Subd. 5. [CORRECTIONS ALLOWED.] No petition submitted by the requisite number of counties shall be void or dismissed on account of defects exposed in the hearing documents or report. The board shall permit the petition to be amended in form and substance to conform to the facts by correcting any errors in the description of the territory or any other defects.

Subd. 6. [BOARD ORDER.] After considering the reports of the hearing examiner, if a contested case hearing has been held, and the recommendations of the advisory councils director of the agency, the board shall make a final decision on the petition. If the board finds and determines that the establishment or alteration of a district as proposed in the petition would not

be in the public interest and would not serve the purposes of article VIII, it shall give notice to the petitioners of its intent to deny the petition. If a contested case hearing has not been held, the petitioners may request a hearing within 30 days of the notice of intent to deny the petition. The request shall be granted. Following the hearing and the report of the hearing examiner, the board shall make a final decision on the petition and mail a copy of its decision to the governing body of each affected political subdivision. If the board finds and determines that the establishment or alteration of a district as proposed in the petition would be in the public interest and would serve the purposes of article VIII, it shall, by order, establish the district, define its boundaries, and give it a corporate name by which, in all proceedings, it shall thereafter be known. The order shall include articles of incorporation stating the powers of the district and the location of its registered office. Upon the filing of a certified copy of the order of the board with the secretary of state, the district shall become a political subdivision of the state and a public corporation, with the authority, power, and duties prescribed in article VIII and the order of the board. At the time of filing, a copy of the order shall be mailed by the board to the governing body of each political subdivision wholly or partly within the district or affected by the alteration of the district.

Sec. 4. [PERPETUAL EXISTENCE.] A waste district created under the provisions of article VIII shall have perpetual existence to the extent necessary to perform all acts necessary and proper for carrying out and exercising the powers and duties expressly given in it. A district shall not be terminated except pursuant to article VIII, section 5.

Sec. 5. [TERMINATION.] Subdivision 1. [PETITION.] Proceedings for the termination of a district shall be initiated by the filing of a petition with the board. The petition shall be submitted by the governing bodies of not less than one-half of the counties which are wholly or partly in the district. The petition shall state that the existence of the district is no longer in the public interest. The petitioners shall publish notice of the petition in newspapers of general circulation in the district and shall cause to be served upon each political subdivision wholly or partly within the district a copy of the petition, and proof of service shall be attached to the petition filed with the board.

Subd. 2. [BOND; PAYMENT OF COSTS.] If the petition is dismissed or denied, the petitioners shall be required to pay all costs and expenses of the proceeding for termination. At the time of filing the petition a bond shall be filed by the petitioners with the board in such sum as the board determines to be necessary to ensure payment of costs.

Subd. 3. [HEARING; DECISION.] If objection is made to the board against the petition for termination, a contested case hearing on the petition shall be held in the waste district pursuant to chapter 15. If the board determines that the termi-

nation of the district as proposed in the petition would not be in the public interest, the board shall give notice to the petitioner of its intent to deny the petition. If a contested case hearing has not been held, the petitioner may request a hearing within 30 days of the notice of intent to deny the petition. The request shall be granted. Following the hearing and the report of the hearing examiner, the board shall make a final decision on the petition. If the petition is dismissed all costs of the proceeding shall be assessed against the petitioner. If the board determines that the existence of the district is no longer in the public interest, the board shall by its findings and order terminate the district. Upon the filing of a certified copy of the findings and order with the secretary of state the district shall cease to be a public corporation and a political subdivision of the state.

Subd. 4. [LIMITATION.] The board shall not entertain a petition for termination of a district within five years from the date of the formation of the district nor shall the board entertain a petition for termination of the same district more often than once in five years.

Sec. 6. [ORGANIZATION OF DISTRICT.] The governing body of each county wholly or partly within the district shall appoint two persons to serve on the first board of directors of the district. The first chairperson of the board of directors shall be appointed by the chairperson of the waste management board and shall be a local elected official within the district. The first chairperson shall serve for a term of two years. Thereafter the chairperson shall be elected from outside the board of directors by majority vote of the board of directors. The first meeting of the board of directors shall be held at the call of the chairperson, after notice, for the purpose of proposing the bylaws, electing officers and for any other business that comes before the meeting. The bylaws of the district, and amendments thereto, shall be adopted by a majority vote of the board of directors unless the certificate of incorporation requires a greater vote. The bylaws shall state:

(a) the manner and time of calling regular meetings of the representatives and the board of directors, not less than once annually;

(b) the title, manner of selection, and term of office of officers of the district;

(c) the term of office of members of the board of directors, the manner of their removal, and the manner of filling vacancies on the board of directors;

(d) the powers and duties of the board of directors consistent with the order and articles of incorporation establishing the district;

(e) *the definition of a quorum for meetings of the board of directors, which shall be not less than a majority of the members;*

(f) *the compensation and reimbursement for expenses for members of the board of directors, which shall not exceed that provided for in section 15.0575, subdivision 3; and*

(g) *such other provisions for regulating the affairs of the district as the board of directors shall determine to be necessary.*

Sec. 7. [REGISTERED OFFICE.] *Every district shall maintain an office in this state to be known as its registered office. When a district desires to change the location of its registered office, it shall file with the secretary of state, the board, and the director of the agency, a certificate stating the new location by city, town, or other community and the effective date of change. When the certificate has been duly filed, the board of directors may make the change without any further action.*

Sec. 8. [POWERS.] *Subdivision 1. [GENERAL.] A district shall have all powers necessary or convenient to perform its duties, including the powers provided in this section.*

Subd. 2. [ACTIONS.] *The district may sue and be sued, and shall be a public body within the meaning of chapter 562.*

Subd. 3. [ACQUISITION OF PROPERTY.] *The district may acquire by purchase, lease, condemnation, gift, or grant, any right, title, and interest in and to real or personal property deemed necessary for the exercise of its powers or the accomplishment of its purposes, including positive and negative easements and water and air rights. Any local government unit and the commissioners of transportation, natural resources, and administration may convey to or permit the use of any property or facilities by the district, subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation and without an election or approval by any other government agency. The district may hold the property for its purposes, and may lease or rent the property so far as not needed for its purposes, upon the terms and in the manner as it deems advisable. The right to acquire lands and property rights by condemnation shall be exercised in accordance with Minnesota Statutes, Chapter 117. The district may take possession of any property for which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation.*

Subd. 4. [RIGHT OF ENTRY.] *Whenever the district deems it necessary to the accomplishment of its purposes, the district or any member, employee, or agent thereof, when authorized by it, may enter upon any property, public or private,*

for the purpose of obtaining information or conducting surveys or investigations, provided that the entrance and activity is undertaken after reasonable notice and during normal business hours and provided that compensation is made for any damage to the property caused by the entrance and activity.

Subd. 5. [GIFTS AND GRANTS.] The district may apply for and accept gifts, loans, or other property from the United States, the state, or any person for any of its purposes, may enter into any agreement required in connection therewith, and may hold, use, and dispose of the money or property in accordance with the terms of the gift, grant, loan or agreement.

Subd. 6. [PROPERTY EXEMPT FROM TAXATION.] Any real or personal property owned, used, or occupied by the district for any authorized purpose is declared to be acquired, owned, used and occupied for public and governmental purposes, and shall be exempted from taxation by the state or any political subdivision of the state, provided that those properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of the properties in any manner different from their use for solid waste management at the time shall be considered in determining the special benefit received by the properties. All bonds, certificates of indebtedness or other obligations of the district shall be exempted from taxation by the state or any political subdivision of the state. Interest on the obligations of the district shall be exempted from taxation in the same manner provided for interest on obligations qualifying under Minnesota Statutes, Section 290.08, Subdivision 7.

Subd. 7. [FACILITIES AND SERVICES.] The district may construct, equip, develop, enlarge, improve, and operate solid waste facilities and services as it deems necessary and may negotiate contracts for the use of public or private facilities and services. The district shall contract with private persons for the construction, maintenance, and operation of facilities and services where the facilities and services are adequate and available for use and competitive with other means of providing the same service.

Subd. 8. [RATES; CHARGES.] The district may establish and collect rates and charges for the facilities and services provided by the district and may negotiate and collect rates and charges for facilities and services contracted for by the district. The board of directors of the district may agree with the holders of district obligations which are secured by revenues of the district as to the maximum or minimum amounts which the district shall charge and collect for services provided by the district. Before establishing or raising any rates and charges the board of directors shall hold a public hearing regarding the proposed rates and charges. Notice of the hearing shall be published at least once

in a legal newspaper of general circulation throughout the area affected by the rates and charges. Publication shall be no more than 45 days and no less than 15 days prior to the date of the hearing.

Subd. 9. [DISPOSITION OF PROPERTY.] *The district may sell or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property shall be sold in the manner provided by Minnesota Statutes, Section 458.196, insofar as practical. The district shall give notice of sale which it deems appropriate. When the district determines that any property which has been acquired from a government unit without compensation is no longer required, the district shall transfer it to the government unit.*

Subd. 10. [DISPOSITION OF PRODUCTS AND ENERGY.] *The district may use, sell, or otherwise dispose of all of the products and energy produced by its facilities. The district may, on a competitive basis, enter into short or long term contracts, make spot sales, solicit bids, enter into direct negotiations, deal with brokers, or use such other methods of disposal as it chooses, provided that the dealings of the district shall be on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade on the part of the district. The district shall give particular consideration to the needs of purchasers in this state and shall actively promote sales to such purchasers so long as this can be done at prices and under conditions that meet constitutional requirements and that are consistent with the district's object of being financially self supporting to the greatest extent possible.*

Subd. 11. [CONTRACTS.] *The district may enter into any contract necessary or proper for the exercise of its powers or the accomplishment of its purposes.*

Subd. 12. [JOINT POWERS.] *The district may act under the provisions of Minnesota Statutes, Section 471.59, or any other law providing for joint or cooperative action between government units.*

Subd. 13. [RESEARCH.] *The district may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its work and may advise and assist other government units on planning matters within the scope of its powers, duties, and objectives.*

Subd. 14. [EMPLOYEES; CONTRACTS FOR SERVICES.] *The district may employ persons or firms and contract for services to perform engineering, legal or other services necessary to carry out its functions.*

Subd. 15. [INSURANCE.] The district may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in amounts it deems necessary to insure against liability of the board of directors and employees or both, for personal injury or death and property damage or destruction, with the force and effect stated in Minnesota Statutes, Chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property as it deems necessary.

Subd. 16. [REVIEW OF PROJECTS.] The district may require that persons shall not acquire, construct, alter, reconstruct or operate a solid waste facility within the district without prior consultation with and approval of the district.

Sec. 9. [DESIGNATION OF RESOURCE RECOVERY FACILITIES; REQUIRED USE.] Subdivision 1. [GENERAL.] A district may be authorized by the order and articles of incorporation establishing the district to require that all or any portion of the solid waste that is generated within its boundaries or any service area thereof and is deposited within the state be taken for processing to a resource recovery facility or a transfer station serving a facility designated by the district.

Subd. 2. [STANDARDS.] In determining whether to designate and require use of resource recovery facilities the district shall consider whether:

(a) the required use will result in the recovery of resources or energy from materials which would otherwise be wasted;

(b) the required use will lessen the demand for and use of land disposal;

(c) the required use is necessary for the financial support of the facility;

(d) less restrictive methods for ensuring an adequate solid waste supply are available;

(e) all other feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed designation have been considered and the costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators have been compared and evaluated.

Subd. 3. [EXEMPTION.] The district shall not designate and require use of facilities for materials which are separated from solid waste and recovered for reuse or recycling by the generator, by a private person under contract with the generator or by a licensed solid waste collector.

Subd. 4. [PROCEDURE.] *The district shall proceed as follows when designating and requiring use of facilities:*

(a) *The district shall notify those persons whom the district has determined should use the facilities. Notification to political subdivisions, landfill operators, and licensed solid waste collectors shall be in writing. All other persons shall be notified at least by publication in a legal newspaper or newspapers having general circulation in the area. The notification shall specify types and quantities of solid wastes, plans for use of the solid wastes, the point of delivery of the solid wastes, and the fee to be charged. During a period of 90 days following the notification, the district shall negotiate with the persons within the areas to be served in order to develop contractual agreements on the terms of required use of the designated facilities.*

(b) *If contracts have not been made at the end of the 90 day period, or if persons subject to the required use have not made arrangements sufficient to justify exemption under subdivision 3, the district shall hold a public hearing to take testimony on the required use of the designated facilities. The hearing shall be preceded by the notice required under clause (a).*

(c) *If contracts have not been made within 30 days after the public hearing, or if persons subject to the required use have not made arrangements sufficient to justify exemption under subdivision 3, the district may order any person identified in the notice of the district to use the designated facilities, starting at a specified date which shall be at least 30 days after the order has been issued.*

No designation shall be invalid by reason of the district's failure to provide written notice to any of the entities listed in this subdivision.

Subd. 5. [SERVICE GUARANTEE.] *The district shall not arbitrarily terminate, suspend, or curtail services provided to any person required pursuant to this section to use designated facilities without the consent of the person or without just cause.*

Subd. 6. [TERMINATION.] *Use required under contract or order pursuant to this section may be terminated by a person upon an adequate showing to the district that the solid waste has value and that arrangements have been made by the person sufficient to justify exemption under subdivision 3, unless the district determines that the requirement must be continued to assure delivery of waste necessary to the financial support of the district facilities.*

Sec. 10. [BONDING POWERS.] **Subdivision 1. [GENERAL.]** *A district may exercise the bonding powers provided in this section to the extent the powers are authorized by the order*

of the waste management board establishing the district and by its articles of incorporation.

Subd. 2. [DEBT.] The district's bonds shall be sold, issued, and secured in the manner provided in chapter 475 for revenue bonds and the district shall have the same powers and duties as a municipality and its governing body in issuing revenue bonds under that chapter. No election shall be required. The bonds may be sold at any price and at public or private sale as determined by the district and shall not be subject to any limitation as to rate.

Subd. 3. [REVENUE BONDS.] A district may borrow money and incur indebtedness by issuing bonds and obligations which are payable solely:

(a) from revenues, income, receipts, and profits derived by the district from its operation and management of solid waste facilities;

(b) 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;

(c) from federal or state grants, gifts, or other moneys received by the district which are available therefor.

Every issue of revenue bonds by the district shall be payable out of any funds or revenues from any facility of the district, subject only to agreements with the holders of particular bonds or notes pledging particular revenues or funds. If any facility of the district is funded in whole or in part by Minnesota waste management bonds issued under article VII, the state bonds shall take priority. The district may provide for priorities of liens in the revenues 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.

Sec. 11. [AUDIT.] 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 a certified public accountant or the state auditor. Copies of a written report of the 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 and the board.

ARTICLE IX

NONMETROPOLITAN COUNTIES

Section 1. Minnesota Statutes 1978, Section 400.03, Subdivision 1, is amended to read:

400.03 [DEFINITIONS.] Subdivision 1. For the purposes of sections 400.01 to 400.17 the terms defined in this section have the meaning given them. The terms defined in (MINNESOTA STATUTES 1969,) chapter 116 and article I, section 3, also apply to the terms used in sections 400.01 to 400.17.

Sec. 2. Minnesota Statutes 1978, Section 400.04, is amended to read:

400.04 [SOLID WASTE MANAGEMENT PROGRAM.] Subdivision 1. [GENERAL.] Any county may conduct a solid waste management program which may include activities authorized by sections 400.01 to 400.17 and such other activities as are necessary and convenient to effectively carry out the purposes of sections 400.01 to 400.17.

Subd. 2. [ACQUISITION OF REAL PROPERTY.] A county may acquire by gift, lease, purchase or eminent domain as provided by law any land or interest in land upon such terms and conditions as it shall determine, including the use of contracts for deed, within or outside of the county, which the board deems suitable for these purposes; provided that no such land or interest in land situated in any other county shall be acquired without the approval by resolution of the county board thereof.

Subd. 3. [ACQUISITION, CONSTRUCTION AND OPERATION OF PROPERTY AND FACILITIES.] A county may *acquire*, construct, enlarge, improve, repair, supervise, control, maintain, and operate any and all *solid waste facilities and other property and facilities* needed, *used, or useful* for (A) solid waste management (PROGRAM) *purposes*, and may purchase and lease materials, equipment, machinery and such other personal property as is necessary for such purposes upon terms and conditions determined by the board including the use of conditional sales contracts and lease-purchase agreements. A county may employ such personnel as are reasonably necessary for the care, maintenance and operation of such *property and facilities*. A county shall *contract with private persons for the construction, maintenance, and operation of solid waste facilities where the facilities are adequate and available for use and competitive with other means of providing the same service.*

Subd. 4. [MANAGEMENT AND SERVICE CONTRACTS.] A county may enter into contracts for the construction, installa-

tion, maintenance and operation of *property and facilities* on private or public lands and may contract for the furnishing of solid waste management services.

Subd. 5. [PLANS.] The county may provide for surveys and plans to determine locations available, appropriate, and suitable for *property and facilities* needed for the program, and plans for the improvement of (SITES) *property and facilities*.

Subd. 6. [EXPENDITURE OF FUNDS.] A county is authorized to expend funds for the purposes enumerated in this section and for any other activities necessary to an efficient solid waste *management program*.

Sec. 3. Minnesota Statutes 1978, Section 400.06, is amended to read:

400.06 [INSPECTION; COOPERATION WITH AGENCY.] All counties shall provide for the periodic inspection of *mixed municipal solid waste (COLLECTION, STORAGE, TRANSPORTATION AND DISPOSAL) facilities and mixed municipal solid waste management property and facilities* located and being operated within their respective boundaries to determine whether (SUCH) *the property and facilities* are being maintained and operated in compliance with applicable county ordinances and rules, regulations, standards, orders, permits, and requirements of the agency. In the event that (SUCH) *the property and facilities* are not so in compliance, the county board shall take (SUCH) actions (AS ARE) necessary to assure future compliance with all applicable ordinances, rules, regulations, standards and requirements, according to law, and shall cooperate with the agency in obtaining and maintaining (SUCH) compliance. *All inspectors provided or used by the county under this section shall be certified by the agency in accordance with section 116.41.*

Sec. 4. Minnesota Statutes 1978, Section 400.07, is amended to read:

400.07 [DEVELOPMENT OF RESOURCE RECOVERY SYSTEMS.] All counties shall cooperate with the agency in the *planning, development and implementation of resource recovery systems (FOR THE RECOVERY AND USE OF MATERIALS AND ENERGY FROM SOLID WASTE)*, and toward that end, shall modify applicable county ordinances consistent with rules (, REGULATIONS) and standards of the agency (CONCERNING THIS SUBJECT).

Sec. 5. Minnesota Statutes 1978, Section 400.13, is amended to read:

400.13 [SOLID WASTE MANAGEMENT FUND.] Any county *owning or operating solid waste management property or*

facilities pursuant to section 400.04, subdivision 3, and establishing fees for the provision of services by the county pursuant to section 400.08, shall continuously maintain a special account on its official books and records designated as the solid waste management fund, to which it shall credit all receipts from the rates and charges authorized in section 400.08 and from the sale of real or personal property pertaining to (THE) solid waste (DISPOSAL SYSTEM) *management purposes*, and the proceeds of all gifts, grants, loans, and issues of bonds for (THE) *such purposes* (OF THE SYSTEM), and to which it shall charge all costs of the acquisition, construction, enlargement, improvement, repair, supervision, control, maintenance, and operation of (THE SYSTEM AND OF ALL FACILITIES INCLUDED THEREIN) *property, facilities, and services*. Separate accounts may be established within this fund for the segregation of revenues pledged for the payment of bonds or loans, or money granted or borrowed for use for a specific purpose.

Sec. 6. Minnesota Statutes 1978, Section 400.16, is amended to read:

400.16 [SOLID WASTE AND SEWAGE SLUDGE DISPOSAL REGULATIONS.] The county may by ordinance establish and (FROM TIME TO TIME) revise rules, regulations, and standards for solid waste *and sewage sludge* management and land pollution, relating to (a) the location, sanitary operation, and maintenance of solid waste (MANAGEMENT) facilities *and sewage sludge disposal facilities* by the county and any municipality or other public agency and by private operators; (b) the collection, (TRANSPORTATION, STORAGE) *processing*, and disposal of solid waste *and sewage sludge*; (c) the amount and type of equipment required in relation to the amount and type of material received at any *solid waste facility or sewage sludge disposal facility*; (d) the control of salvage operations, water or air or land pollution, and rodents *at such facilities*; (e) the termination or abandonment of *such facilities or activities*; and (f) (SUCH) other matters *relating to such facilities* as may be determined necessary for the public health, welfare, and safety. *The county may issue permits or licenses for solid waste facilities and may require that such facilities be registered with an appropriate county office. The county shall adopt the ordinances for mixed municipal solid waste management. The county (MAY ISSUE) shall make provision for issuing permits or licenses for mixed municipal solid waste (MANAGEMENT) facilities and (MAY) shall require that such facilities be registered with an appropriate county office. No permit or license shall be issued for a mixed municipal solid waste facility unless the applicant has demonstrated to the satisfaction of the county board the availability of revenues necessary to operate the facility in accordance with applicable state and local laws, ordinances, and rules. The county ordinance (MAY) shall require appropriate procedures for termination or abandonment of any mixed municipal solid waste*

facilities or services, *which shall include provision for long term monitoring for possible land pollution*, and for the payment by the owners or operators thereof, or both, of any costs incurred by the county in completing such procedures. *The county may require such procedures and payments with respect to any facilities or services regulated pursuant to this section.* In the event the operators or owners fail to complete such procedures in accordance with the ordinance, the county may recover the costs of completion in a civil action in any court of competent jurisdiction or, in the discretion of the board, the costs may be certified to the county auditor as a special tax against the land to be collected as other taxes are collected. The ordinance may be enforced by injunction, action to compel performance, or other appropriate action in the district court. Any ordinance enacted under this section shall embody minimum standards and requirements established by rule of the agency.

Sec. 7. Minnesota Statutes 1978, Section 400.161, is amended to read:

400.161 [HAZARDOUS WASTE REGULATIONS.] The county may by ordinance establish and (FROM TIME TO TIME) revise rules, regulations, and standards (FOR HAZARDOUS WASTE MANAGEMENT) relating to (a) identification of hazardous waste, (b) the labeling and classification of hazardous waste, (c) the (HANDLING,) collection, transportation *processing, disposal*, and storage of hazardous waste, (d) (THE ULTIMATE DISPOSAL SITE OF THE HAZARDOUS WASTE, AND (E) SUCH) other matters as may be determined necessary for the public health, welfare and safety. The county may issue permits or licenses for hazardous waste generation and may require the generators be registered with a county office. The ordinance may require appropriate procedures for the payment by the generator of any costs incurred by the county in completing such procedures. If the generator fails to complete such procedures, the county may recover the costs of completion in a civil action in any court of competent jurisdiction or, in the discretion of the board, the costs may be certified to the county auditor as a special tax against the land as other taxes are collected. The ordinance may be enforced by injunction, action to compel performance, or other action in district court. Any ordinance under this section shall embody standards and requirements established by rule of the agency. Issuing, denying, modifying, imposing conditions upon, or revoking permits pursuant to the provisions of this section or regulations promulgated hereunder shall be (,) subject to review, denial, suspension, *modification*, and reversal by the pollution control agency. The pollution control agency shall after written notification have 15 days to review, *deny*, suspend, modify, or reverse the action of the county. After 15 days, the action of the county board shall be final subject to appeal to the district court as provided in section 115.05.

Sec. 8. Minnesota Statutes 1978, Chapter 400, is amended by adding a section to read:

[400.162] [COUNTY DESIGNATION OF RESOURCE RECOVERY FACILITY.] *Except within the metropolitan area, the Western Lake Superior Sanitary District established by Laws 1971, Chapter 478, as amended, and any solid waste management district established under article VIII, any county may require that all or any portion of the solid waste that is generated within the boundaries of the county or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the county board or a transfer station serving such a facility, provided that the designation is approved by the waste management board. The board may require the county to complete a comprehensive solid waste management plan conforming to the requirements of article V, section 5. In establishing, continuing, and terminating the designation, the county shall be governed by all standards, exemptions, procedures, and other requirements provided in article VIII, section 9, subdivisions 2 to 6.*

ARTICLE X

SOLID WASTE AND SEWAGE SLUDGE MANAGEMENT: METROPOLITAN AREA

Section 1. Minnesota Statutes 1978, Section 473.121, is amended by adding a subdivision to read:

Subd. 36. The definitions of terms relating to waste in chapter 116 and article I, section 3, also apply to the same terms relating to waste used in chapter 473.

Sec. 2. Minnesota Statutes 1978, Section 473.149, is amended to read:

473.149 [SOLID WASTE COMPREHENSIVE PLANNING.] Subdivision 1. [POLICY PLAN; GENERAL REQUIREMENTS.] (BY JULY 1, 1978,) The metropolitan council shall prepare and by resolution adopt as part of its development guide a long range policy plan for (THE COLLECTION AND PROCESSING OF) solid (AND HAZARDOUS) waste *management* in the metropolitan area. When adopted, the plan shall be followed in the metropolitan area. The plan shall substantially conform to all policy statements, purposes, goals, standards, maps and plans in development guide sections and plans adopted by the council, *provided that no land shall be thereby excluded from consideration as a solid waste facility site except land determined by the agency to be intrinsically unsuitable for such use.* The plan shall include goals and policies for (THE COLLECTION AND PROCESSING OF) solid (AND HAZARDOUS) waste *management* in the metropolitan area and, to the extent appropriate, statements and information similar to that required under section 473.146, subdivision 1. The plan shall include criteria and standards for *solid* waste facilities and

solid waste facility sites respecting the following matters: general location; capacity; operation; processing techniques; environmental impact; effect on existing, planned, or proposed collection services and waste facilities; and economic viability. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations, the plan shall include additional criteria and standards (RESPECTING FINANCIAL SELF SUFFICIENCY BASED UPON COMPETITIVE RATES AND CHARGES) to ensure that the facilities are operated on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade in relation to comparable private facilities existing in the area. In developing the plan the council shall consider the orderly and economic development, public and private, of the metropolitan area; the preservation and best and most economical use of land and water resources in the metropolitan area; the protection and enhancement of environmental quality; the conservation and reuse of resources and energy; the preservation and promotion of conditions conducive to efficient, (LOW COST,) competitive, and adaptable systems of waste (COLLECTION AND PROCESSING) management; and the orderly resolution of questions concerning changes in systems of waste (COLLECTION AND PROCESSING) management. Criteria and standards for solid (AND HAZARDOUS) waste facilities shall be consistent with regulations adopted by the pollution control agency pursuant to chapter 116 and (SECTION 473.823. THE HAZARDOUS WASTE PORTION OF THE POLICY PLAN SHALL BE APPROVED BY THE POLLUTION CONTROL AGENCY IN ACCORDANCE WITH ITS STANDARDS AND REGULATIONS PRIOR TO ADOPTION BY THE COUNCIL) shall be at least as stringent as the guidelines, regulations, and standards of the federal environmental protection agency.

Subd. 2. [DISPOSAL CAPACITY ESTIMATE.] By July 1, 1980, the council shall adopt by resolution an estimate of the added solid waste disposal capacity needed in appropriate sectors of the metropolitan area in annual increments through the year 1990 and thereafter in five year increments through the year 2000. The council's estimate shall be based upon existing and projected solid waste generation rates without regard to potential waste reduction, separation, and recovery activity except that provided by services and facilities in operation or under construction.

Subd. 2a. [DISPOSAL ABATEMENT REPORT.] By January 1, 1981, the council shall prepare and submit a report to metropolitan counties on potentials for abating the need for and practice of land disposal of mixed municipal solid waste in the metropolitan area, for use by the counties in developing land disposal abatement plans pursuant to section 473.803, subdivision 1b. The report shall contain an analysis of abatement achievable through waste reduction, waste separation, waste processing, and resource recovery. The report shall contain specific and quantifiable alternative abatement objectives and degrees of

abatement, along with solid waste management methods and technologies, private and government actions, facilities and services, development schedules, revenue-raising measures, and levels of public and private expenditure and effort necessary to the achievement of those alternative objectives and degrees of abatement. The report shall recommend priorities and objectives for abating, immediately and over specified time periods, the disposal of mixed municipal solid waste in the metropolitan area. During the preparation of the report, the council shall encourage public debate and discussion of the issues relating to land disposal abatement and shall hold a public meeting on the issues in each metropolitan county.

Subd. 2b. [INVENTORY OF SOLID WASTE DISPOSAL SITES.] By October 1, 1981, the council shall adopt by resolution an inventory of eligible solid waste disposal sites and buffer areas within the metropolitan area. The council's inventory shall be composed of the sites and buffer areas proposed by the counties and reviewed and approved by the council pursuant to section 473.803, subdivision 1a. If a county does not have an approved inventory, the council shall adopt the required inventory for the county, following investigations by the council and public hearings as the council deems appropriate. The council's inventory shall satisfy all requirements and standards described in section 473.803, subdivision 1a, for sites and buffer areas proposed by counties. For sites and buffer areas included in the council's inventory, the moratorium imposed under section 473.803, subdivision 1a, shall extend until October 1, 1983.

Subd. 2c. [REPORT ON LOCAL EFFECTS OF SOLID WASTE DISPOSAL FACILITIES; REPORT TO LEGISLATURE.] By January 1, 1982, the council shall report to the legislative commission on methods of mitigating and compensating for the local risks, costs, and other adverse effects of solid waste disposal facilities and on methods of financing mitigation and compensation measures. The methods of mitigating and compensating to be considered shall include but not be limited to the following: payment outside of levy limitations in lieu of taxes for all property taken off the tax rolls; preference for the city or town containing a facility in federal A-95 reviews conducted by the council; payment of all costs to service the facilities including the costs of roads, monitoring, inspection, enforcement, police and fire, and litter clean up costs; payment for buffer zone amenities and improvements; city or town control over buffer zone design; elimination of the tipping charge for solid waste collected in the city or town; a guarantee against any and all liability that may occur; payment for reclamation of closed sites to local design specifications.

Subd. 2d. [LAND DISPOSAL ABATEMENT PLAN.] By January 1, 1983, after considering county land disposal abatement proposals submitted pursuant to section 473.803, subdivision 1b, the council shall amend its policy plan to include specific and quantifiable objectives for abating the land disposal of mixed municipal solid waste. The plan shall include a reduced

estimate, based on the council's abatement objectives, of the added solid waste disposal capacity needed in appropriate sectors of the metropolitan area, stated in annual increments through the year 1990 and thereafter in five year increments through the year 2000. The objectives in the plan shall be based upon standards for county resource recovery and waste reduction and separation programs and activities. The plan shall include standards and procedures to be used by the council in determining that metropolitan counties have not implemented the council's land disposal abatement plan and have not met the standards for county abatement programs and activities. The council shall report to the legislative commission on its abatement plan and on legislation that may be required to implement the plan.

Subd. 2e. [SOLID WASTE DISPOSAL FACILITIES DEVELOPMENT SCHEDULE.] *By January 1, 1983, after requesting and considering recommendations from the counties, cities, and towns, the council as part of its policy plan shall determine the number of sites to be acquired within each metropolitan county for solid waste disposal facilities in accordance with section 16. The council shall adopt a schedule for development of disposal facilities by each such county through the year 2000. The schedule shall be based upon the council's reduced estimate of the disposal capacity needed because of the council's land disposal abatement plan. The schedule may include procedures to be used by counties in selecting sites for acquisition pursuant to section 16. The schedule shall include standards and procedures for council certification of need pursuant to section 473.823. The schedule shall include a facility closure schedule and plans for post-closure management and disposition, for the use of property after acquisition and before facility development, and for the disposition of property and development rights, as defined in section 16, no longer needed for disposal facilities.*

Subd. 3. [PREPARATION AND ADOPTION.] *The solid waste policy plan shall be prepared, adopted, and amended in accordance with section 473.146, subdivision 2, provided that the procedural duties and responsibilities established therein for the affected metropolitan commission shall extend to the metropolitan counties and the pollution control agency. In addition to the requirements of section 473.146, subdivision 2, the council shall send notice of any hearing to the pollution control agency and the governing body of each metropolitan county and each local governmental unit, as defined in section 473.801, wherein a solid waste facility is or may be located in accordance with the plan. Any comprehensive (SOLID AND HAZARDOUS WASTE) plan adopted by the council (PRIOR TO THE EFFECTIVE DATE OF THIS ACT) shall remain in force and effect (UNTIL A POLICY PLAN IS) while new or amended plans are being prepared (IN ACCORDANCE WITH SUBDIVISION 1) and adopted by the council. By October 1, 1976, the council shall adopt either interim policies or amendments to the existing comprehensive plan establishing standards and criteria for the review under section 473.823 of permit applications for solid waste*

facilities used primarily for resource recovery. For permit applications received by the council prior to October 1, 1976, the council may extend the time period provided for review under section 473.823 until 60 days after the adoption of the interim policies or amendments. No metropolitan county, local government unit, commission, or person shall acquire, construct, improve or operate any *solid* waste facility in the metropolitan area except in accordance with the council's plan and section 473.823, provided that no *solid* waste facility in use when a plan is adopted shall be discontinued solely because it is not located in an area designated in the plan as acceptable for the location of such facilities.

Subd. 4. [ADVISORY COMMITTEE.] The council shall establish an advisory committee to aid in the preparation of the policy plan (AND,) *the performance of the council's responsibilities under subdivisions 2 to 2e, the review of county master plans and reports and applications for permits for waste facilities, under sections 473.151 and 473.801 to 473.823 and sections 14 to 16, and other duties determined by the council.* The committee shall consist of one-third citizen representatives, one-third representatives from metropolitan counties and municipalities, and one-third representatives from private waste management firms. *From October 1, 1981 to January 1, 1983, for the purpose only of participating in the preparation of the legislative report required by subdivision 2c and the land disposal abatement plan required by subdivision 2d, additional members shall be included on the advisory committee sufficient to assure that at least one-third of the members of the committee are residents of cities or towns containing eligible solid waste disposal sites included in the council's disposal site inventory, and that counties containing three sites have at least two additional members and counties containing one or two sites have at least one additional member.* A representative from the pollution control agency, one from the waste management board established under article II, section 1, and one from the Minnesota health department shall serve as ex officio members of the committee.

Sec. 3. Minnesota Statutes 1978, Chapter 473, is amended by adding a section to read:

[473.153] [COMPREHENSIVE DISPOSAL FACILITIES PLAN FOR SEWAGE SLUDGE AND SOLID WASTE FROM SEWAGE TREATMENT.] *Subdivision 1. [FACILITIES REQUIRED.] Except as provided in subdivision 7 and article IV, section 2, all sewage sludge disposal facilities and facilities for the disposal of solid waste generated by the metropolitan waste control commission shall be established and operated in accordance with this section and section 473.516. The council and the commission shall establish at least one facility for sewage sludge disposal and at least one facility for solid waste disposal.*

Subd. 2. [CANDIDATE SITE SELECTION.] *By July 1, 1981, the council shall select three candidate sites for the disposal*

of the commission's sewage sludge and three candidate sites for the disposal of the commission's solid waste, together with appropriate surrounding buffer areas. The council shall evaluate sites for candidacy on the basis of at least the following factors: local land use and land use controls, the protection of agriculture and natural resources, existing and future development patterns, transportation facilities, distance from the points of generation, and the intrinsic suitability of sites compared with other potential sites. Notwithstanding any plan, charter provision, law, ordinance, regulation, or other requirement of the council, counties, or local units of government, no land shall be excluded from consideration for candidacy except land determined by the agency to be intrinsically unsuitable. No site shall be selected for candidacy unless the agency certifies its apparent intrinsic suitability for the use intended, based on preliminary environmental analysis and on-site surveys and investigations conducted by the agency. In selecting candidate sites, the council shall prefer land which is capable of being returned to its existing use or the use anticipated in a plan of a metropolitan agency, county, or local unit of government use after closure of a disposal facility.

Subd. 3. [MORATORIUM.] A moratorium is hereby imposed on development within the area of each proposed site and buffer area selected by the council. The moratorium shall extend until six months following the council's decision under subdivision 6. No development shall be allowed to occur within the area of a proposed site or buffer area during the period of the moratorium. No county, city, or town land use control shall permit such development, nor shall any county, city, or town sanction or approve any subdivision, permit, license, or other authorization which would allow such development to occur.

Subd. 4. [ADVISORY COMMITTEE.] For the purposes only of advising the council on decisions under this section, additional members shall be added to the advisory committee established by section 473.149, subdivision 4, sufficient to assure that each city and town containing a candidate site has at least one representative on the committee.

Subd. 5. [ENVIRONMENTAL AND PERMIT REVIEW.] An environmental impact statement meeting the requirements of chapter 116D shall be completed on each candidate site, provided that the statement shall be finally accepted or rejected within 280 days of the selection of candidate sites. Within 90 days following the acceptance of the statement, the agency shall indicate the conditions and terms of approval of all permits needed at each candidate site.

Subd. 6. [COUNCIL SITE SELECTION.] Within 90 days following the agency's decision on permit conditions and terms, the council shall select at least one of the candidate sites for acquisition and development by the commission as a sewage sludge disposal facility and at least one of the candidate sites for acquisition and development by the commission as a solid waste

disposal facility. Before its selection the council shall consult with the advisory committee and affected counties, cities, and towns.

Subd. 7. [EXEMPTIONS.] Nothing in this section shall be construed to preclude the commission from continuing to use existing sewage sludge disposal facilities. In addition, to the same extent and upon the same conditions as sewage sludge may be applied on private property pursuant to section 473.516, subdivisions 3 and 4, the commission may use any site owned by the commission for the purpose of landspreading sewage sludge for a period no longer than four years. Any property currently used by the commission and permitted by the agency for disposing of the commission's solid waste may continue to be used for that purpose by the commission, as permitted by the agency, for a period not to exceed four years.

Sec. 4. Minnesota Statutes 1978, Section 473.502, is amended to read:

473.502 [LEGISLATIVE PURPOSE AND POLICY.] The legislature determines that in the metropolitan area there are serious problems of water pollution and *processing and disposal of sewage and waste resulting from sewage treatment*, which cannot be effectively or economically dealt with by existing local government units in the area under existing laws. The legislature therefore declares that for the protection of the public health, safety, and welfare of the area, for the preservation and best use of waters and other natural resources of the state in the area, for the prevention, control and abatement of water pollution in the area, and for the efficient and economic collection, treatment and disposal of sewage *and waste resulting from sewage treatment* it is necessary to assign to the metropolitan council the responsibility of carrying on a continuous, long-range program of planning with respect thereto and to establish a waste control commission, which, together with the council, can take over, acquire, construct, operate, and maintain all interceptors and treatment works *and waste facilities* necessary for the collection, treatment and disposal of sewage *and waste resulting from sewage treatment* in the metropolitan area, *and can take over, acquire, construct, operate, and maintain waste facilities in the metropolitan area.*

Sec. 5. Minnesota Statutes 1978, Section 473.516, is amended to read:

473.516 [WASTE FACILITIES; SEWAGE SLUDGE DISPOSAL.] *Subdivision 1. [ACQUISITION AND OPERATION.]* Without limiting the grant or enumeration of any of the powers conferred on the council or commission under sections 473.501 to 473.549, the commission shall have the specific power to acquire by purchase, lease, condemnation, gift or grant any real or personal property including *development rights as defined*

in section 16, positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain and operate (HAZARDOUS) waste facilities in the metropolitan area deemed to be necessary or convenient in connection with the processing or disposal of (HAZARDOUS) waste resulting from sewage treatment, and the commission may contract for the maintenance and operation of such waste facilities, subject to the bidding requirements of section 473.523. The commission may accept for processing (HAZARDOUS) waste derived from outside the metropolitan area in the state, as well as (HAZARDOUS) waste derived from within the metropolitan area, and may fix and collect fees and charges for the acceptance of (HAZARDOUS) waste as the commission determines to be reasonable.

Subd. 2. [GENERAL REQUIREMENTS.] With respect to its activities under this section, the commission shall be subject to and comply with the applicable provisions of this chapter. Property acquired by the commission under this section shall be subject to the provisions of section 473.545. Any site or facility owned or operated for or by the commission shall conform to the policy plan adopted by the council under section 473.149 and shall be authorized in accordance with the commission's development program and capital budget approved by the council. The commission shall contract with private persons for the construction, maintenance, and operation of waste facilities, subject to the bidding requirements of section 473.523, where the facilities are adequate and available for use and competitive with other means of providing the same service.

Subd. 3. [LOCAL RESTRICTIONS.] Counties and local units of government may impose conditions respecting the construction, operation, inspection, monitoring, and maintenance of a waste facility of the commission and conditions respecting the sale, gift, delivery, storage, use, and disposal of sewage sludge of the commission on private property as a soil conditioner or amendment, but only in the manner and only to the extent authorized and approved by the council and the agency as being consistent with the establishment and use of the commission's waste facilities and the disposal of the commission's sewage sludge on private property in accordance with the council's plan, adopted under section 3, and agency permits and rules. Counties may exercise the enforcement powers granted under section 473.811, subdivision 5c, in the manner and to the extent authorized and approved in accordance with this subdivision.

Subd. 4. [TECHNICAL MONITORING; SEWAGE SLUDGE DISPOSAL.] Each sewage sludge disposal facility of the waste control commission, or site used for the disposal of sewage sludge of the commission, shall be required to have an agency permit issued pursuant to agency rules for permitting sewage sludge disposal facilities and sites. Each permit shall require a regular monitoring and testing program to be carried out by the waste

control commission. A regular inspection program shall be conducted by the agency or a county under contract to the agency. The commission shall reimburse the agency quarterly for the cost of the program, and the amounts reimbursed are hereby appropriated to the agency for the purposes of the program.

Sec. 6. Minnesota Statutes 1978, Section 473.801, Subdivision 1, is amended to read:

473.801 [DEFINITIONS.] Subdivision 1. For the purposes of sections 473.801 to 473.823 and sections 14 to 17 the terms defined in this section have the meanings given them.

Sec. 7. Minnesota Statutes 1978, Section 473.802, is amended to read:

473.802 [LEGISLATIVE PURPOSE AND POLICY.] The legislature determines that for the protection of the public health, safety, and welfare of the people of the metropolitan area, for the prevention, control and abatement of pollution of air and waters of the state in the metropolitan area, and for the efficient and economic (COLLECTION AND PROCESSING) *management* of solid (AND HAZARDOUS) waste in the metropolitan area, it is necessary to (AUTHORIZE THE AGENCY TO REGULATE THE HANDLING OF HAZARDOUS WASTE AND THE LOCATION AND OPERATION OF WASTE FACILITIES IN THE AREA; TO) authorize the metropolitan council to carry on a continuous, long range program of planning with respect to solid (AND HAZARDOUS) waste (COLLECTION AND PROCESSING) *management*, (AND) to establish criteria and standards and approve permits for *solid waste facilities* in the area, *and to provide funds for the acquisition of property for solid waste disposal purposes*; and to authorize the metropolitan counties if necessary to acquire, construct, operate and maintain solid waste facilities, to plan for and regulate *solid waste collection services and facilities, to collect data on solid and hazardous waste (COLLECTION AND PROCESSING) management systems and procedures, and to assist state agencies to regulate the (HANDLING) management of hazardous waste.* The legislature declares that a public purpose is served by the recovery and utilization of resources from solid (WASTE AND HAZARDOUS) waste where economically viable and compatible with source reduction. The plans, criteria, standards and regulations of the agency, council and metropolitan counties shall, to the extent practicable, encourage ownership and operation of solid waste facilities by private industry.

Sec. 8. Minnesota Statutes 1978, Section 473.803, is amended to read:

473.803 [METROPOLITAN COUNTY PLANNING.] Subdivision 1. [COUNTY MASTER PLANS; GENERAL RE-

QUIREMENTS.] Each metropolitan county, following adoption or revision of the council's solid (AND HAZARDOUS) waste policy plan and in accordance with the dates specified therein, and after consultation with all affected (MUNICIPALITIES) *local government units*, shall prepare and submit to the council for its approval, a county solid (AND HAZARDOUS) waste master plan to implement the policy plan. *The master plan shall be revised and resubmitted at such times as the council's policy plan may require.* The master plan shall describe county solid (AND HAZARDOUS) waste activities, functions, and facilities; the existing system of solid (AND HAZARDOUS) waste generation, collection, and processing, *and disposal* within the county; existing and proposed county and municipal ordinances and license and permit requirements relating to *solid waste facilities* and (HAZARDOUS AND) solid waste generation, collection, and processing, *and disposal*; existing or proposed municipal, county, or private *solid waste facilities* and collection services within the county 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 policy plan; and any solid waste facility which the county 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 master plan shall, to the extent practicable, encourage ownership and operation of solid waste facilities by private industry. For *solid 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) *that the facilities are operated on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade in relation to comparable private facilities existing in the area.*

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] *By June 1, 1981, each county shall adopt, by resolution of its governing body, an inventory of four proposed sites in the county suitable for mixed municipal solid waste disposal facilities and one proposed site in the county suitable for the disposal of demolition debris and shall submit the inventory to the council for approval or disapproval. The council shall evaluate and approve or disapprove each proposed site in accordance with the standards set out in this subdivision. Except as otherwise provided in this subdivision, each site shall satisfy the standards and criteria in federal and state regulations and the council's policy plan for solid waste waste management. In proposing and approving sites for the inventory, the counties and*

the council shall prefer land which is capable of being returned to its existing use or the use anticipated in a plan of a metropolitan agency, county, or local unit of government use after closure of a disposal facility. Each site shall contain no less than 80 acres and no more than 250 acres. Each proposed site shall be surrounded by a buffer area at least equal to the area of the site. No site shall be proposed by the county or approved by the council unless the agency certifies its intrinsic suitability for the use intended, based on preliminary environmental analysis and on site surveys and investigations conducted by the county or agency. Notwithstanding any plan, charter provision, law, ordinance, regulation, or other requirement of any state agency or political subdivision, no land shall be excluded from consideration for inclusion in the inventory except land determined by the agency to be intrinsically unsuitable. The council shall evaluate each site with respect to local land use and land use controls, the protection of agriculture and natural resources, existing and future development patterns, transportation facilities and other services and facilities appropriate to land disposal facilities, the quality of other potential sites, and patterns of generation of solid waste. The council shall notify a county of any site proposed by the county which the council disapproves and shall allow the county 60 days to propose an alternative site. If the county fails to propose an alternative acceptable to the council in the time allowed, the council shall propose a site acceptable to it for inclusion in the inventory of sites in that county. If in the council's judgment a county does not contain the requisite number of satisfactory sites, the council may reduce the number of sites required of that county. A moratorium is hereby imposed on development within the area of each site and buffer area proposed by a county, pending the council's adoption of an inventory pursuant to section 473.149, subdivision 2b. For sites and buffer areas included in the council's inventory, the moratorium shall extend until October 1, 1983. No development shall be allowed to occur within the area of a site or buffer area during the period of the moratorium. No county, city, or town land use control shall permit such development, nor shall any county, city, or town sanction or approve any subdivision, permit, license, or other authorization which would allow such development to occur.

Subd. 1b. [LAND DISPOSAL ABATEMENT.] By April 1, 1982, after considering the council's disposal abatement report submitted to the counties pursuant to section 473.149, subdivision 2a, each county shall submit to the council a proposal to reduce to the greatest feasible and prudent extent the need for and practice of land disposal of mixed municipal solid waste. The proposal shall address at least waste reduction, separation, and resource recovery. The proposal shall include objectives, immediately and over specified time periods, for reducing the land disposal of mixed municipal solid waste generated within the county. The proposal shall describe specific functions to be performed and activities to be undertaken by the county and cities and towns

within the county to achieve the objectives and shall describe the estimated cost, proposed manner of financing, and timing of the functions and activities. The proposal shall include alternatives which could be used to achieve the objectives if the proposed functions and activities are not established. By June 1, 1983, each county shall revise its master plan to include a land disposal abatement element to implement the council's land disposal abatement plan adopted under section 473.149, subdivision 2d, and shall submit the revised plan to the council for review under subdivision 2. The proposal and master plan revision required by this subdivision shall be prepared in consultation with cities and towns within the county, particularly the cities and towns in which a solid waste disposal facility is or may be located pursuant to the county master plan.

Subd. 2. [COUNCIL REVIEW.] The council shall review each master plan or revision thereof to determine whether it is consistent with the council's policy plan. If it is not consistent, the council shall *disapprove and return the plan with its comments to the county for revision and resubmittal. The county shall have 90 days to revise and resubmit the plan for council approval.* Any county solid (OR HAZARDOUS) waste plan or report approved by the council prior to April 9, 1976, shall remain in effect until a new master plan is submitted to and approved by the council in accordance with this section.

Subd. 3. [ANNUAL REPORT.] Each metropolitan county shall prepare and submit annually to the council *for its approval* a report containing information, as the council may prescribe in its policy plan, concerning solid (AND HAZARDOUS) waste generation (, COLLECTION, AND PROCESSING) and management within the county. *The report shall include a statement of progress in achieving the land disposal abatement objectives of the council's policy plan and county master plan.* The report shall include a schedule of rates and charges in effect or proposed for the use of any solid waste facility owned or operated by or on its behalf, together with a statement of the basis for such charges.

Sec. 9. Minnesota Statutes 1978, Section 473.811, is amended to read:

473.811 [COUNTIES AND LOCAL UNITS OF GOVERNMENT; WASTE MANAGEMENT.] Subdivision 1. [COUNTY ACQUISITION OF FACILITIES.] To accomplish the purpose specified in section 473.803, each metropolitan county may acquire by purchase, lease, gift or condemnation as provided by law, upon such terms and conditions as it shall determine, including contracts for deed and conditional sales contracts, solid waste facilities or properties or easements or development rights, as defined in section 16, for solid waste facilities which are in accordance with regulations adopted by the agency, the policy plan adopted by the council and the county master plan as approved by the council, and may improve or construct improvements on

any property or facility so acquired. No metropolitan city, county or town shall own or operate a hazardous waste facility. Each metropolitan county is authorized to levy a tax in anticipation of need for expenditure for the acquisition and betterment of solid waste facilities. If (SUCH) a tax is levied in anticipation of need, the purpose must be specified in a resolution of the county directing that the levy and the proceeds of the tax may be used only for that purpose. Until so used, the proceeds shall be retained in a separate fund or invested in the same manner as surplus in a sinking fund may be invested under section 475.-66. The right of condemnation shall be exercised in accordance with chapter 117. (A METROPOLITAN COUNTY MAY ACQUIRE PROPERTY FOR AND OPERATE A SOLID WASTE FACILITY WITHIN THE BOUNDARIES OF ANY CITY OR TOWN IN THE METROPOLITAN AREA, WITHOUT COMPLYING WITH THE PROVISIONS OF ANY ZONING ORDINANCE ADOPTED AFTER APRIL 15, 1969.)

Subd. 1a. [RIGHT OF ACCESS.] Whenever the county deems it necessary to the evaluation of a waste facility for enforcement purposes or to the evaluation of a site or buffer area for inclusion in the inventory of disposal sites pursuant to section 473.149, subdivision 2b, and section 473.803, subdivision 1a, or for final acquisition under section 16, the county or any member, employee, or agent thereof, when authorized by it, may enter upon any property, public or private, for the purpose of obtaining information or conducting surveys or investigations, provided that the entrance and activity is undertaken after reasonable notice and during normal business hours and provided that compensation is made for any damage to the property caused by the entrance and activity.

Subd. 2. [COUNTY FINANCING OF FACILITIES.] Each metropolitan county may by resolution authorize the issuance of bonds to provide funds for the acquisition or betterment of solid waste facilities or property or property rights for a solid waste facility, or for refunding any outstanding bonds issued for any such purpose, and may pledge to the payment of the bonds and the interest thereon, its full faith, credit and taxing powers, or the proceeds of any designated tax levies, or the gross or net revenues or charges to be derived from any facility operated by or for the county, or any combination thereof. Taxes levied for the payment of the bonds and interest shall not reduce the amounts of other taxes which the county is authorized by law to levy. No election shall be required to authorize the issuance of the bonds. Except as otherwise provided, the bonds shall be issued and sold in accordance with the provisions of chapter 475.

Subd. 3. [COUNTY OPERATION OF FACILITIES.] Each metropolitan county may operate and maintain solid waste facilities, and for this purpose may employ all necessary personnel, may adopt regulations governing operation, and may establish and collect reasonable, non-discriminatory rates and charges

for the use of the facilities by any local government unit or person, estimated to be sufficient, with any other moneys appropriated for the purpose, to pay all costs of acquisition, operation and maintenance. Each metropolitan county may use itself or sell all or any part of materials or energy recovered from solid waste to private interests or public agencies for consumption or reuse by them. Section 471.345 and Laws 1951, Chapter 556, as amended shall not apply to the sale of the materials or energy provided that the dealings of each county shall be on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade on the part of the county.

Subd. 4. [COUNTY CONTRACTS.] Each metropolitan county *may contract* for the use of existing public or private *solid waste facilities and may contract* with any person for the operation and maintenance of any solid waste facility owned by the county. The contract shall provide for the operation and maintenance of the facility in accordance with any regulations, criteria, and standards of the agency, the metropolitan council and the county relating thereto.

Subd. 4a. [ORDINANCES; GENERAL CONDITIONS; RESTRICTIONS; APPLICATION.] *Ordinances of counties and local government units related to or affecting waste management shall embody plans, policies, rules, standards and requirements adopted by any state agency authorized to manage or plan for or regulate the management of waste and the waste management plans adopted by the council and shall be consistent with county master plans approved by the council. Except as provided in this subdivision, a metropolitan county may acquire a site and buffer area for a solid waste disposal facility anywhere within the county without complying with local ordinances, if the action is approved by the council as being taken pursuant to the policy plan and the development schedule adopted under section 473.149, subdivision 2e, and the provisions of section 16, and the county may establish and operate or contract for the establishment or operation of a disposal facility at the a site without complying with local ordinances, if the council certifies need under section 13. With the approval of the council, local government units may impose and enforce reasonable conditions respecting the construction, operation, inspection, monitoring, and maintenance of the disposal facilities. No local government unit shall prevent the establishment or operation of any solid waste facility in accordance with the council's decision under section 12, except that, with the approval of the council, the local government unit may impose reasonable conditions respecting the construction, inspection, monitoring, and maintenance of a facility.*

Subd. 5. [ORDINANCES; SOLID WASTE COLLECTION AND TRANSPORTATION.] Each metropolitan county may adopt ordinances governing the collection of solid waste. (THE ORDINANCES SHALL NOT PREVENT THE HAULING OF

SOLID WASTE FROM ONE COUNTY TO ANOTHER.) Each (MUNICIPALITY AND TOWN) *local unit of government* within the metropolitan area shall adopt an ordinance governing the collection of solid waste within its boundaries. If the county within which it is located has adopted an ordinance, the (MUNICIPALITY OR TOWN) *local unit* shall adopt either the county ordinance by reference or a more strict ordinance. (A HAULER WHO QUALIFIED UNDER THE ORDINANCE OF THE MUNICIPALITY WHERE HE IS MAKING PICKUPS MAY TRANSPORT SOLID WASTE ON STREETS AND HIGHWAYS IN OTHER MUNICIPALITIES WITHIN THE COUNTY WITHOUT CONFORMING TO THEIR ORDINANCES.) *Ordinances of counties and local government units may establish reasonable conditions respecting but shall not prevent the transportation of solid waste by a licensed collector through and between counties and local units, except as required for the enforcement of any designation of a facility by the council pursuant to section 14. A licensed collector or a metropolitan county or local government unit may request review by the council of an ordinance adopted under this subdivision. The council shall approve or disapprove the ordinance within 60 days of the submission of a request for review. The ordinance shall remain in effect unless it is disapproved. Ordinances of counties and local units of government shall provide for the enforcement of any designation of facilities by the council under section 14. Nothing in this subdivision shall be construed to limit the authority of the local government unit to regulate and license collectors of solid waste or to require review or approval by the council for ordinances regulating collection.*

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

Subd. 5b. [ORDINANCES; HAZARDOUS WASTE MANAGEMENT.] Each metropolitan county shall by ordinance establish and revise rules, regulations, and standards (FOR HAZARDOUS WASTE MANAGEMENT) relating to (a) the identification of hazardous waste, (b) the labeling and classification of hazardous waste, (c) the (HANDLING,) collection, *storage*, transportation (AND STORAGE), *processing*, and *disposal* of hazardous waste, and (d) (THE ULTIMATE DISPOSAL SITE OF HAZARDOUS WASTE, AND (E)) other matters necessary for the public health, welfare and safety. The county shall require permits or licenses for the generation, collection, (AND) *processing*, and *disposal* of hazardous waste and shall require registration with a county office. (ANY ORDINANCE

ENACTED UNDER THIS SUBDIVISION SHALL EMBODY REGULATIONS, STANDARDS, AND REQUIREMENTS ADOPTED BY THE AGENCY AND GOALS, POLICIES, CRITERIA, AND STANDARDS ADOPTED BY THE COUNCIL AND SHALL BE CONSISTENT WITH THE COUNTY MASTER PLAN APPROVED BY THE COUNCIL. COUNTY ORDINANCES ADOPTED PURSUANT TO THIS SUBDIVISION SHALL NOT APPLY TO THE LOCATION OR OPERATION OF ANY HAZARDOUS WASTE FACILITY OWNED OR OPERATED BY THE WASTE CONTROL COMMISSION UNDER SECTION 473.516.) Issuing, denying, *suspending*, modifying, imposing conditions upon, or revoking hazardous waste permits or licenses, and county hazardous waste regulations and ordinances, shall be subject to review, denial, suspension, *modification*, and reversal by the agency. The agency shall after written notification have 15 days to review, suspend, modify, or reverse the action of the county. After this period, the action of the county board shall be final subject to appeal to the district court in the manner provided in (SECTION 115.05. ANY ORDINANCE ENACTED SHALL BE PUBLISHED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 375.51) *chapter 15.*

Subd. (5A) 5c. [COUNTY ENFORCEMENT.] Each metropolitan county shall be responsible for insuring that waste facilities, solid waste collection operations licensed or regulated by the county and hazardous waste generation (,) and collection (, AND PROCESSING) operations are brought into conformance with, or terminated and abandoned in accordance with, applicable county ordinances; rules, regulations and requirements of the (AGENCY) *state*; and (GOALS, POLICIES, CRITERIA, AND STANDARDS) *the policy plan* of the council. Counties may provide by ordinance that operators or owners or both of such facilities or operations shall be responsible to the county for satisfactorily performing the procedures required. If operators or owners or both fail to perform, the county may recover the costs incurred by the county in completing the procedures in a civil action in any court of competent jurisdiction or, in the discretion of the board, the costs may be certified to the county auditor as a special tax against the land. The ordinances may be enforced by action in district court. The county may prescribe a criminal penalty for the violation of any ordinance enacted under this section not exceeding the maximum which may be specified for a misdemeanor.

Subd. 6. [GRANTS AND LOANS TO COUNTIES.] Each metropolitan county may accept gifts, may apply for and accept grants or loans of money or other property from the United States, the state, the metropolitan council, any local government unit, or any person, to accomplish the purposes specified in sections 473.149, 473.151, and 473.801 to 473.823 and sections 14 to 17, may enter into any agreement required in connection therewith, and may hold, use, and dispose of the

money or property in accordance with the terms of the gift, grant, loan or agreement relating thereto.

Subd. 7. [JOINT ACTION.] Each metropolitan county and local government unit may act *together with any county, city, or town within or without the metropolitan area* under the provisions of section 471.59 or any other appropriate law providing for joint or cooperative action between government units, to accomplish any purpose specified in sections 473.149, 473.151, and 473.801 to 473.823 and sections 14 to 17.

Subd. 8. [COUNTY SALE OR LEASE.] Each metropolitan county may sell or lease any facilities or property or property rights previously used or acquired to accomplish the purposes specified by sections 473.149, 473.151, and 473.801 to 473.823 and sections 14 to 17. Such property may be sold in the manner provided by section 458.196. Each metropolitan county may convey to or permit the use of any such property by a local government unit, with or without compensation, without submitting the matter to the voters of the county. No real property or property rights acquired pursuant to this section, may be disposed of in any manner unless and until the county shall have submitted to the agency and the metropolitan council for review and comment the terms on and the use for which the property will be disposed of. The agency and the council shall review and comment on the proposed disposition within 60 days after each has received the data relating thereto from the county.

Subd. 9. [SOLID AND HAZARDOUS WASTE FUND.] All moneys received by any metropolitan county from any source specified in sections 473.149, 473.151, and 473.801 to 473.823 and sections 14 to 17 shall be paid into the county treasury, placed in a special fund designated as the county solid and hazardous waste fund, and used only for the purposes authorized in those sections, as appropriated by the county board, subject to any lawful restrictions, conditions, or pledges applicable thereto.

Sec. 10. Minnesota Statutes 1978, Section 473.813, is amended to read:

473.813 [CITIES, COUNTIES, TOWNS; SOLID WASTE CONTRACTS.] Subdivision 1. Notwithstanding any contrary provision of law or charter, and in addition to the powers or authority granted by any other law or charter, a city, county, or town in the metropolitan area may directly negotiate and enter into contracts, for a term not to exceed 30 years, for the delivery of solid waste to a waste facility and the processing of solid waste. Contracts made by direct negotiations shall be approved by resolution adopted by the governing body of the city, county, or town.

Subd. 2. Before a city, county, or town (MAY ENTER) enters into any contract pursuant to subdivision 1 (, WHICH

CONTRACT IS) for a period of more than five years, the city, county, or town shall submit the proposed contract and a description of the proposed activities under the contract to the council for review and approval. The council shall approve the proposed contract if it determines that the contract (WILL NOT ADVERSELY AFFECT COLLECTION RATES AND CHARGES DURING THE TERM OF THE CONTRACT AND THAT THE CONTRACT) is consistent with the council's plan, permits issued under section 473.823, and county reports or master plans approved by the council. The council may consolidate its review of contracts submitted under this section with its review of related permit applications submitted under section 473.823 and for this purpose may delay the review required by this section.

Sec. 11. Minnesota Statutes 1978, Section 473.823, Subdivision 3, is amended to read:

Subd. 3. [SOLID WASTE FACILITIES; REVIEW PROCEDURES.] (THE AGENCY MAY PRESCRIBE PERMIT AND PERMIT APPLICATION FORMS, AND MAY REQUEST APPLICANTS TO SUBMIT IN WRITING ALL INFORMATION DEEMED RELEVANT BY THE AGENCY.) The agency shall request applicants for *solid waste facility permits* to submit all information deemed relevant by the council to its review, including without limitation information relating to the geographic areas and population served, the need, the effect on existing facilities and services, the anticipated public cost and benefit, the anticipated rates and charges, the manner of financing, the effect on metropolitan plans and development programs, the supply of waste, anticipated markets for any product, and alternative means of disposal or energy production. (THE AGENCY, OR ANY EMPLOYEE OR AGENT THEREOF, WHEN AUTHORIZED BY IT, MAY EXAMINE ANY BOOKS, PAPERS, RECORDS OR MEMORANDA OF THE APPLICANT PERTAINING TO ITS WASTE FACILITY, AND MAY ENTER ON ANY PROPERTY, PUBLIC OR PRIVATE, FOR THE PURPOSE OF OBTAINING INFORMATION, CONDUCTING SURVEYS OR MAKING INVESTIGATIONS RELATIVE TO THE LOCATION OR OPERATION OF A WASTE FACILITY. THE AGENCY MAY ISSUE PERMITS FOR THE OPERATION OF WASTE FACILITIES BY ANY METROPOLITAN COUNTY OR COMMISSION, LOCAL GOVERNMENT UNIT OR PERSON WHERE THE OPERATION THEREOF IS CONSISTENT WITH APPLICABLE REGULATIONS ADOPTED BY THE AGENCY PURSUANT TO SUBDIVISION 1, PROVIDED THAT) No permit may be issued for the operation of a *solid waste facility* in the metropolitan area which is not in accordance with the metropolitan council's *solid (AND HAZARDOUS) waste policy plan*. The metropolitan council shall determine whether a permit is in accordance with the (GOALS, POLICIES, STANDARDS, AND CRITERIA IN ITS) *policy plan*. In making its determination, the council shall consider the area-wide need

and benefit of the applicant facility and may consider, without limitation, the effect of the applicant facility on existing and planned *solid* waste facilities described in a waste control commission development program or county report or master plan. If the council determines that a permit is in accordance with its policy plan, the council shall approve the permit. If the council determines that a permit is not in accordance with its policy plan, it shall disapprove the permit. The council's approval of permits may be subject to conditions necessary to satisfy criteria and standards in its policy plan, including conditions respecting the type, character, and quantities of waste to be processed at a *solid* waste facility used primarily for resource recovery and (RESTRICTIONS ON) the geographic territory from which a (WASTE FACILITY USED PRIMARILY FOR) resource recovery facility or transfer station serving such a facility may draw its waste. For the purpose of this review and approval by the council, the agency shall send a copy of each permit application and any supporting information furnished by the applicant to the metropolitan council within 15 days after receipt of the application and all other information requested from the applicant. Within 60 days after the application and supporting information are received by the council, unless a time extension is authorized by the agency, the council shall issue to the agency in writing its determination whether the permit is disapproved, approved, or approved with conditions. If the council does not issue its determination to the agency within the 60 day period, unless a time extension is authorized by the agency, the permit shall be deemed to be in accordance with the council's policy plan. No permit may be issued in the metropolitan area for a *solid* waste facility used primarily for resource recovery, if the facility or site is owned and operated by a public agency or if the acquisition or betterment of the facility or site is secured by *public funds or obligations* (PLEDGING THE FULL FAITH AND CREDIT OR TAXING POWERS OF A CITY, COUNTY, OR TOWN,) unless the council finds that adequate markets exist for the products recovered without substantially reducing the supply of solid waste available for existing resource recovery operations and that (ALL COSTS OF OPERATION, ADMINISTRATION, MAINTENANCE AND DEBT SERVICE WILL BE COVERED BY REASONABLE RATES AND CHARGES FOR THE USE OF THE FACILITY) *the facility is operated on a competitive basis so as not to create an unfair or unreasonable advantage or restraint of trade in relation to comparable private facilities existing in the area.*

Sec. 12. Minnesota Statutes 1978, Section 473.823, is amended by adding a subdivision to read:

Subd. 5. [REVIEW OF WASTE PROCESSING FACILITIES.] A metropolitan county may establish a waste processing facility within the county without complying with local ordinances, if the action is approved by the council in accordance

with the review process established by this subdivision. A county requesting review by the council shall show that the required permits for the proposed facility have been or will be issued by the agency, that the facility is consistent with the council's policy plan and the approved county master plan and that a local government unit has refused to approve the establishment or operation of the facility. The council shall meet to commence the review within 90 days of the submission of a request determined by the council to satisfy the requirements for review under this subdivision. At the meeting commencing the review the chairman shall recommend and the council establish a scope and procedure for its review and final decision on the proposal facility. The procedure shall require the council to make a final decision on the proposed facility within 120 days following the commencement of review. The council shall conduct at least one public hearing in the city or town within which the proposed facility would be located. Notice of the hearing shall be published in a newspaper or newspapers of general circulation in the area for two successive weeks ending at least 15 days before the date of the hearing. The notice shall describe the proposed facility, its location, the proposed permits, and the council's scope and procedures for review. The notice shall identify a location or locations within the local government unit and county where the permit applications and the council's scope and procedure for review are available for review and where copies may be obtained. In its review and final decision on the proposed facility, the council shall consider at least the following matters:

(a) the risk and effect of the proposed facility on local residents, units of government, and the local public health, safety, and welfare, and the degree to which the risk or effect may be alleviated;

(b) the consistency of the proposed facility with, and its effect on, existing and planned local land use and development; local laws, ordinances, and permits; and local public facilities and services;

(c) the adverse effects of the facility on agricultural and natural resources and opportunities to mitigate or eliminate such adverse effects by additional stipulations, conditions, and requirements respecting the design and operation of the proposed facility at the proposed site;

(d) the need for the proposed facility and the availability of alternative sites;

(e) the consistency of the proposed facility with the county master plan adopted pursuant to section 473.803 and the council's policy plan adopted pursuant to section 473.149;

(f) transportation facilities and distance to points of waste generation.

In its final decision in the review, the council may either approve or disapprove the proposed facility at the proposed site. The council's approval shall embody all terms, conditions, and requirements of the permitting state agencies, provided that the council may require more stringent permit terms, conditions, and requirements respecting the design, construction, operation, inspection, monitoring, and maintenance of the proposed facility at the proposed site.

Sec. 13. Minnesota Statutes 1978, Section 473.823, is amended by adding a subdivision to read:

Subd. 6. [COUNCIL; CERTIFICATION OF NEED.] No new mixed municipal solid waste disposal facility shall be permitted in the metropolitan area without a certificate of need issued by the council indicating the council's determination that the additional disposal capacity planned for the facility is needed in the metropolitan area. The council shall amend its policy plan, adopted pursuant to section 473.149, to include standards and procedures for certifying need. The standards and procedures shall be based on the council's disposal abatement plan adopted pursuant to section 473.149, subdivision 2d, and the abatement master plans of counties adopted pursuant to section 473.803, subdivision 1b. The council shall certify need only to the extent that there are no feasible and prudent alternatives to the disposal facility, including waste reduction, source separation and resource recovery which would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of alternatives.

Sec. 14. Minnesota Statutes 1978, Chapter 473, is amended by adding a section to read:

[473.827] [COUNCIL DESIGNATION OF SOLID WASTE FACILITY; REQUIRED USE.] *Subdivision 1. [AUTHORITY.] The council may require that all or any portion of the solid waste that is generated within the metropolitan area or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the council or a transfer station serving such a facility. The council may designate a facility under this section without the approval of the board except that the approval of the board shall be required if the solid waste required to be delivered is generated outside of the metropolitan area.*

Subd. 2. [STANDARDS.] In determining whether to designate and require the use of the facility the council shall consider whether:

(a) the required use will result in the recovery of resources or energy from materials which would otherwise be wasted;

(b) *the required use will lessen the demand for and use of land disposal;*

(c) *the required use is necessary for the financial support of the facility;*

(d) *less restrictive methods for ensuring an adequate solid waste supply are available;*

(e) *the applicant has considered the feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed project and has compared and evaluated the costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators.*

Subd. 3. [EXEMPTION.] The council shall not designate and require use of facilities for materials which are separated from solid waste and recovered for reuse or recycling by the generator, by a private person under contract with the generator, or by a licensed solid waste collector.

Subd. 4. [PROCEDURE.] The council shall proceed as follows when designating and requiring use of facilities:

(a) *The council shall notify those persons whom the council has determined should use the facilities. Notification to political subdivisions, disposal facility operations, and licensed solid waste collectors shall be in writing. All other persons shall be notified at least by publication in a legal newspaper or newspapers having general circulation in the area. The notification shall specify types and quantities of solid wastes, plans for use of the solid wastes, the point of delivery of the solid wastes, and the fee to be charged. No action of the council pursuant to this subdivision shall be held invalid by reason of the council's failure to provide written notice to persons listed in this subdivision. During a period of 90 days following the notification, the council shall negotiate with the persons within the areas to be served in order to develop contractual agreements on the terms of required use of the designated facilities.*

(b) *If contracts have not been made at the end of the 90-day period, or if persons subject to the required use have not made arrangements sufficient to justify exemption, the council shall hold a public hearing to take testimony on the required use of the designated facilities. The hearing shall be preceded by the notice required under clause (a).*

(c) *If contracts have not been made within 30 days after the public hearing, or if persons subject to the required use have not made arrangements sufficient to justify exemption, the council may order any person identified in the notice of the council to use the designated facilities, starting at a specified*

date which shall be at least 30 days after the order has been issued.

Subd. 5. [SERVICE GUARANTEE.] The facility designated by the council shall not arbitrarily terminate, suspend, or curtail services provided to any person required pursuant to this section to use designated facilities without the consent of the person, or without just cause.

Subd. 6. [TERMINATION.] Use required under contract or order pursuant to this section may be terminated by a person upon an adequate showing to the council that the solid waste has value and that arrangements have been made sufficient to justify exemption under subdivision 3, unless the council determines that the requirement must be continued to assure delivery of waste necessary to the financial support of the facilities designated by the council.

Sec. 15. Minnesota Statutes 1978, Chapter 473, is amended by adding a section to read:

[473.831] [DEBT OBLIGATIONS; SOLID WASTE DISPOSAL.] *Subdivision 1. [GENERAL OBLIGATION BONDS.] Following the adoption of the revisions to its policy plan required by section 473.149, subdivision 2e, the council may by resolution authorize the issuance of general obligation bonds of the council to provide funds for the acquisition of sites and surrounding buffer areas for development as solid waste disposal facilities pursuant to this section and section 16 and to provide funds for refunding obligations issued under this section. The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for general obligation bonds, and the council shall have the same power and duties as a municipality and its governing body in issuing bonds under chapter 475, except as otherwise provided in this chapter. No election shall be required, and the net debt limitations in chapter 475 shall not apply. The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.*

Subd. 2. [USE OF PROCEEDS.] The proceeds of bonds issued under subdivision 1 shall be used pursuant to section 16, by the council, to make grants to metropolitan counties to pay the cost of the acquisition of all property or interests in property for solid waste disposal sites and surrounding buffer areas required to be acquired by the county, pursuant to section 16, by the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e.

Sec. 16. Minnesota Statutes 1978, Chapter 473, is amended by adding a section to read:

[473.833] [SOLID WASTE DISPOSAL SITES AND BUFFER AREAS.] *Subdivision 1. [DEFINITION.] "Develop-*

ment right' as used in this section means the right of the owner of the fee interest in land to change the use of the land from its existing use to any other use.

Subd. 2. [REQUIREMENT.] Each metropolitan county shall select and acquire sites and buffer areas for solid waste disposal facilities in accordance with this section and the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e.

Subd. 3. [COUNTY SITE SELECTION AUTHORITIES.] Each metropolitan county shall establish a site selection authority. By June 1, 1983, each site selection authority shall select specific sites within the county from the council's disposal site inventory, in accordance with the procedures established by the council under section 473.149, subdivision 2e, and in a number equal to that required by the council to be acquired by the county. Each site selection authority shall be composed of the county board, plus one member appointed by the governing body of each city or town within the county containing a site in the council's disposal site inventory or the majority of the land contained within such a site. If the number of members on the site selection authority who reside in a city or town containing all or part of a site or buffer area is equal to or greater than the number of members who do not, the chairman of the county board shall appoint to the authority an additional member or members, residing within the county but not within a city or town containing all or part of a site or buffer area, sufficient to assure a majority of one on the authority of members residing in cities and towns not containing all or any part of a site of buffer area. The chairman of the county board shall be the chairman of the site selection authority. If a site selection authority has not selected the requisite number of sites in accordance with the council's standards, criteria, and procedures by June 1, 1983, the council shall make the selection.

Subd. 4. [ACQUISITION AND DISPOSITION.] In order to prevent the development of conflicting land uses at and around future solid waste disposal facility sites, the council shall provide for the acquisition by a metropolitan county of property and rights in property at and around each solid waste disposal site selected pursuant to subdivision 3. Each site scheduled for development as a facility through the year 1990 shall be acquired in fee. Development rights shall be acquired for each site scheduled for development as a facility after the year 1990 through the year 2000. Development rights shall be acquired in a buffer area surrounding and at least equal to the area of each site scheduled for development as a facility through the year 2000. The owner of any property for which development rights are to be or have been acquired pursuant to this subdivision may elect by written notice at any time up to 90 days following the issuance of a permit by the agency for a facility to have the county acquire

fee title to the property. Fee title shall be acquired by counties for buffer areas only at the election of the owner of the fee.

Subd. 5. [COMPENSATION.] Where the development right or fee is acquired by means other than through eminent domain proceedings, as by direct purchase or gift, the land owner's compensation shall be determined by the agreement of the parties involved. Where the fee is acquired through eminent domain proceedings, the land owner's compensation shall be the fair market value of the property. Where the development rights are acquired through eminent domain proceedings, the land owner's compensation shall be the fair market value of the property less the value of the land as restricted to the use to which it is devoted at the time of the acquisition. An award of compensation in a condemnation proceeding shall not be increased or decreased by reason of any increase or decrease in the value of the property caused by its designation in the inventory of disposal sites and buffer areas or its selection as a site or buffer area. Where the fee is subsequently condemned after the acquisition of the development rights, the land owner's compensation shall be based on the value of the property as restricted to the use permitted at the date of the subsequent acquisition.

Subd. 6. [DISPOSITION.] The county may sell property and development rights, with the permission of the council, when they are no longer needed for a site or surrounding buffer area. The owner of the fee shall have the right of first refusal of any development rights at the price of purchase plus interest at the rate permitted under section 344.01. The proceeds from any sale of property or development rights shall be returned to the council and used to pay debt service on the council's solid waste bonds.

Subd. 7. [FAILURE OF COUNTIES TO ACQUIRE; REPORT TO LEGISLATURE.] If any county fails to identify property for acquisition or if any county refuses to proceed with acquisition, as required by this section and the council's disposal facility development schedule adopted pursuant to section 473.149, subdivision 2e, the council shall prepare and recommend to the legislature, no later than January 1, 1984, legislation to transfer solid waste management authority and responsibility in the metropolitan area from the counties to the waste control commission or a new metropolitan commission established for that purpose.

Sec. 17. Minnesota Statutes 1978, Chapter 473, is amended by adding a section to read:

[473.834] [DEBT SERVICE; SOLID WASTE BONDS.]
Subdivision 1. [CERTAIN CITIES AND TOWNS; EXEMPTION.] Each city or town in which a solid waste disposal facility is operating after January 1, 1980, shall be permanently exempt from the payments required by this section, if the facility is a commercial facility disposing of mixed municipal solid waste under an agency permit.

Subd. 2. [ALLOCATION OF DEBT SERVICE.] The annual debt service on the council's solid waste bonds, issued under article X, section 15, shall be annually apportioned by the council to each city and town in the metropolitan area, in the proportion that the assessed value of all taxable property within such city or town bears to the assessed value of the taxable property in all such cities and towns, as last finally equalized before October 1 in the year in which the allocation is made.

Subd. 3. [CERTAIN CITIES AND TOWNS; REDUCED PAYMENTS.] When a solid waste reduction, separation, or resource recovery program is implemented or solid waste processing facilities are established in a city or town pursuant to a county land disposal abatement plan approved by the council, the annual payment otherwise required of the city or town pursuant to subdivision 2, shall be reduced by an amount determined by the council to be proportionate to the abatement in the waste going from the city or town into a solid waste disposal facility as a result of the local abatement program or processing facility.

Subd. 4. [PROCEDURES FOR PAYMENT.] By January 1 of each year, the council shall certify to the auditor of each county the amount to be levied within each city and town in the metropolitan area to pay debt service on the council's bonds in the next succeeding calendar year. The amounts so certified shall be due and payable to the council, for deposit in the council's debt service fund, at such time or times during the year as the council determines. The council shall set the dates for payment with reference to the dates on which tax, assessment, and revenue collections become available to the government units required to pay such charges, provided that all payments shall be due in time to allow the council to certify deficiency tax levies pursuant to subdivision 5.

Subd. 5. [SECURITY.] In addition to the power to require payments and tax levies under subdivisions 3 and 4 for the payment of debt service on bonds issued under section 15, the council may levy taxes for the payment of the debt service upon all taxable property within the metropolitan area without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area.

Sec. 18. Article X applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

ARTICLE XI

POLLUTION CONTROL AGENCY

Section 1. Minnesota Statutes 1978, Section 116.06, Subdivision 9, is amended to read:

Subd. 9. "Land pollution" means the presence in or on the land of any (SOLID) waste in such quantity, of such nature and duration, and under such condition as would affect injuriously any waters of the state, create air contaminants or cause air pollution.

Sec. 2. Minnesota Statutes 1978, Section 116.06, is amended by adding subdivisions to read:

Subd. 9a. "Waste" has the meaning given it in article I, section 3.

Subd. 9b. "Waste management" has the meaning given it in article I, section 3.

Subd. 9c. "Collection" of waste has the meaning given it in article I, section 3.

Subd. 9d. "Processing" of waste has the meaning given it in article I, section 3.

Subd. 9e. "Disposal" of waste has the meaning given it in article I, section 3.

Subd. 9f. "Intrinsic hazard" of a waste has the meaning given it in article I, section 3.

Subd. 9g. "Intrinsic suitability" of a land area or site has the meaning given it in article I, section 3.

Subd. 9h. "Sewage sludge" has the meaning given it in article I, section 3.

Sec. 3. Minnesota Statutes 1978, Section 116.06, Subdivision 10, is amended to read:

Subd. 10. "Solid waste" means garbage, refuse, sludge from a water supply treatment plant or air contaminant treatment facility, and other discarded (SOLID) waste materials and sludges, (INCLUDING SOLID WASTE MATERIALS AND WASTE SLUDGES) in solid, semi-solid, liquid, or contained gaseous form, resulting from industrial, commercial, mining, and agricultural operations, and from community activities, but does not include hazardous waste; animal waste used as fertilizer (,); earthen fill, boulders, rock (, SOLIDS); sewage sludge; solid or dissolved material in domestic sewage or other (SIGNIFICANT) common pollutants in water resources, such as silt, dissolved or suspended solids in industrial waste water effluents or discharges which are point sources subject to permits under section 402 of the federal water pollution control act, as amended, dissolved materials in irrigation return flows (, OR OTHER COMMON WATER POLLUTANTS); or source, special nuclear,

or by-product material as defined by The Atomic Energy Act of 1954, as amended.

Sec. 4. Minnesota Statutes 1978, Section 116.06, Subdivision 13, is amended to read:

Subd. 13. "Hazardous waste" means any refuse or discarded material or combinations of refuse or discarded materials in solid, semi-solid, liquid, or gaseous form which cannot be handled by routine waste management techniques because they pose a substantial present or potential hazard to human health or other living organisms because of their chemical, biological, or physical properties. Categories of hazardous waste materials include, but are not limited to: explosives, flammables, oxidizers, poisons, irritants, and corrosives. *Hazardous waste does not include sewage sludge and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended.*

Sec. 5. Minnesota Statutes 1978, Section 116.07, Subdivision 2, is amended to read:

Subd. 2. [ADOPTION OF STANDARDS.] The pollution control agency shall improve air quality by promoting, in the most practicable way possible, the use of energy sources and waste disposal methods which produce or emit the least air contaminants consistent with the agency's overall goal of reducing all forms of pollution. The agency shall also adopt standards of air quality, including maximum allowable standards of emission of air contaminants from motor vehicles, recognizing that due to variable factors, no single standard of purity of air is applicable to all areas of the state. In adopting standards the pollution control agency shall give due recognition to the fact that the quantity or characteristics of air contaminants or the duration of their presence in the atmosphere, which may cause air pollution in one area of the state, may cause less or not cause any air pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, prevailing wind directions and velocities, and the fact that a standard of air quality which may be proper as to an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such standards of air quality shall be premised upon scientific knowledge of causes as well as effects based on technically substantiated criteria and commonly accepted practices. No local government unit shall set standards of air quality which are more stringent than those set by the pollution control agency.

The pollution control agency shall promote solid waste disposal control by encouraging the updating of collection systems, elimination of open dumps, and improvements in incinerator practices. The agency shall also adopt standards for the control of the collection, transportation, storage, *processing*, and disposal

of solid waste *and the disposal of sewage sludge* for the prevention and abatement of water, air and land pollution, recognizing that due to variable factors, no single standard of (SOLID WASTE) control is applicable to all areas of the state. In adopting standards, the pollution control agency shall give due recognition to the fact that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, topography, soils and geology, climate, transportation, and land use. Such standards of (SOLID WASTE) control shall be premised on technical criteria and commonly accepted practices.

The pollution control agency shall also adopt standards describing the maximum levels of noise in terms of sound pressure level which may occur in the outdoor atmosphere, recognizing that due to variable factors no single standard of sound pressure is applicable to all areas of the state. Such standards shall give due consideration to such factors as the intensity of noises, the types of noises, the frequency with which noises recur, the time period for which noises continue, the times of day during which noises occur, and such other factors as could affect the extent to which noises may be injurious to human health or welfare, animal or plant life, or property, or could interfere unreasonably with the enjoyment of life or property. In adopting standards, the pollution control agency shall give due recognition to the fact that the quantity or characteristics of noise or the duration of its presence in the outdoor atmosphere, which may cause noise pollution in one area of the state, may cause less or not cause any noise pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, meteorological conditions and the fact that a standard which may be proper in an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such noise standards shall be premised upon scientific knowledge as well as effects based on technically substantiated criteria and commonly accepted practices. No local governing unit shall set standards describing the maximum levels of sound pressure which are more stringent than those set by the pollution control agency.

The pollution control agency shall adopt standards for the identification of hazardous waste and for the *management, identification, labeling, classification, storage, collection, transportation, processing, and disposal* of hazardous waste, recognizing that due to variable factors, (NO) a single standard of hazardous waste control (IS) *may not be* applicable to all areas of the state. In adopting standards, the pollution control agency shall recognize that elements of control which may be reasonable and proper in densely populated areas of the state may be unrea-

sonable and improper in sparsely populated or remote areas of the state. The agency shall consider existing physical conditions, topography, soils, and geology, climate, transportation and land use. Standards of hazardous waste control shall be premised on technical knowledge, and commonly accepted practices. No local government unit shall set standards of hazardous waste control which are in conflict or inconsistent with those set by the pollution control agency.

Sec. 6. Minnesota Statutes 1978, Section 116.07, Subdivision 4, is amended to read:

Subd. 4. [RULES AND STANDARDS.] Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend and rescind (REGULATIONS) *rules* and standards having the force of law relating to any purpose within the provisions of Laws 1969, Chapter 1046, for the prevention, abatement, or control of air pollution. Any such (REGULATION) *rule* or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, (REGULATIONS) *rules* or standards may relate to sources or emissions of air contamination or air pollution, to the quality or composition of such emissions, or to the quality of or composition of the ambient air or outdoor atmosphere or to any other matter relevant to the prevention, abatement, or control of air pollution.

Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend, and rescind (REGULATIONS) *rules* and standards having the force of law relating to any purpose within the provisions of Laws 1969, Chapter 1046, for the collection, transportation, storage, *processing*, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. *The agency shall adopt such rules and standards for the disposal of sewage sludge, addressing the intrinsic suitability of land, the volume and rate of application of sewage sludge of various degrees of intrinsic hazard, design of disposal facilities, and operation of disposal facilities and disposal sites. The agency shall promulgate temporary rules for sewage sludge disposal pursuant to section 15.0412, subdivision 5.* Any such (REGULATION) *rule* or standard may be of general application throughout the state or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, (REGULATIONS) *rules* or standards may relate to collection, transportation, *processing*, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control

of collection, transportation, *processing*, and disposal of solid waste *and the disposal of sewage sludge*, and the deposit in or on land of any other material that may tend to cause pollution.

Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend and rescind (REGULATIONS) *rules* and standards having the force of law relating to any purpose within the provisions of Laws 1971, Chapter 727, for the prevention, abatement, or control of noise pollution. Any such (REGULATION) *rule* or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, (REGULATIONS) *rules* or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the pollution control agency.

Pursuant to chapter 15, the pollution control agency may adopt, amend, and rescind (REGULATIONS) *rules* and standards having the force of law relating to any purpose within the provisions of this chapter for the *management, identification, labeling, classification, storage, collection, treatment, transportation, processing, and disposal of hazardous waste and location of hazardous waste (DISPOSAL) facilities*. A (REGULATION) *rule* or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. The public service commission, in cooperation with the pollution control agency, shall set standards for the transportation of hazardous waste in accordance with chapter 221. *In implementing its hazardous waste rules, the pollution control agency shall give high priority to providing planning and technical assistance to hazardous waste generators. The agency shall assist generators in investigating the availability and feasibility of both interim and long term hazardous waste management methods. The methods shall include waste reduction, waste separation, waste processing, resource recovery, and temporary storage.*

The pollution control agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods.

Sec. 7. Minnesota Statutes 1978, Section 116.07, Subdivision 4a, is amended to read:

Subd. 4a. [PERMITS.] The pollution control agency may issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the emission of air contaminants, or for the installation or operation of any emission facility, air contaminant treatment facility, treatment facility, potential air contaminant storage facility, or storage facility, or any part thereof, or for the sources or emissions of noise pollution.

The pollution control agency may also issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the *storage*, collection, transportation, *processing*, or disposal of (SOLID) waste, or for the installation or operation of any system or facility, or any part thereof, related to the *storage*, collection, transportation, *processing*, or disposal of (SOLID) waste.

The pollution control agency may revoke or modify any permit issued under this subdivision and section 116.081 whenever it is necessary, in the opinion of the agency, to prevent or abate pollution.

(THE POLLUTION CONTROL AGENCY MAY ISSUE, CONTINUE IN EFFECT OR DENY PERMITS, UNDER SUCH CONDITIONS AS IT MAY PRESCRIBE FOR THE TREATMENT OR DISPOSAL OR BOTH OF HAZARDOUS WASTE, OR FOR THE INSTALLATION OR OPERATION OF ANY SYSTEM OR FACILITY OR ANY PART THEREOF.)

Sec. 8. Minnesota Statutes 1978, Section 116.07, is amended by adding a subdivision to read:

Subd. 4b. [PERMITS; HAZARDOUS WASTE FACILITIES.] *The agency shall provide to the waste management board established in article II, section 1, copies of each preliminary and final permit application for a hazardous waste facility immediately upon its submittal to the agency. The agency shall request recommendations on each permit application from the board and shall consult with the board on the agency's intended disposition of the recommendations. Except as otherwise provided in article III, the agency shall commence any environmental review required under chapter 116D within 120 days of its acceptance of a completed preliminary permit application. The agency shall respond to a preliminary permit application for a hazardous waste facility within 120 days following a decision not to prepare environmental documents or following the acceptance of a negative declaration notice or an environmental impact statement. Except as otherwise provided in article III, within 60 days following the submission of a final permit*

application for a hazardous waste facility, unless a time extension is agreed to by the applicant, the agency shall issue or deny all permits needed for the construction of the proposed facility.

Sec. 9. Minnesota Statutes 1978, Section 116.07, is amended by adding a subdivision to read:

Subd. 4c. [PERMITS; TEMPORARY HAZARDOUS WASTE STORAGE FACILITIES.] A generator of hazardous waste within the state or an entity composed of or under contract to such generators may apply to the agency for permits for a temporary storage facility for hazardous waste generated within the state. The application shall demonstrate: (a) that no permitted commercial waste facility is reasonably available to accept the waste, and (b) that the proposed storage facility will be used for storing the hazardous waste generated exclusively by the applicant. The agency shall give highest priority to and shall expedite consideration of such applications. Within 60 days of receipt of a completed application, the agency shall either deny a permit or give notice of its intent to issue a permit. The agency shall publish the notice in the state register and shall notify directly the board and the affected county and city or town. If no hearing is requested on the permit within 30 days following the notice of intent, the agency shall issue the permit. If a hearing is requested, the hearing shall be ordered by the director of the agency and shall be conducted by the state office of hearing examiners in a manner determined by the hearing examiner to be consistent with the expeditious completion of the proceedings as required by this subdivision. The examiner shall give highest priority to and shall expedite the proceedings. The hearing shall be conducted within 45 days of the request, the examiner's report shall be submitted to the agency within 15 days of the hearing, and the agency shall make a final decision on the permit within 30 days of the report. The permit shall be issued for a period not to exceed one year but shall be renewable for four successive one year periods if at the time of each annual renewal the agency determines that there continues to be no permitted commercial waste facility reasonably available to accept the waste and that the facility has been operated in a way that does not cause pollution, impairment or destruction of the environment. Notwithstanding any law or requirement to the contrary, the permit shall be the only permit or approval required. Upon submission of an application for temporary storage facilities and until the permit is issued, the applicant shall store its hazardous wastes in the manner set forth in the application. A temporary storage permit issued or contract entered into for the purposes of a storage permit issued pursuant to this subdivision shall not affect the individual generator's ownership of and responsibility for the waste or the responsibility of the individual generator for removal and final processing or disposal in a permitted hazardous waste facility. The agency shall not be required to promulgate rules pursuant to chapter 15 governing its activity under this subdivision.

Sec. 10. Minnesota Statutes 1978, Section 116.07, is amended by adding a subdivision to read:

Subd. 9. [ORDERS; INVESTIGATIONS.] The agency shall have the following powers and duties for the enforcement of any provision of chapter 116, relating to waste:

(a) to adopt, issue, reissue, modify, deny, revoke, enter into or enforce reasonable orders, schedules of compliance and stipulation agreements;

(b) to require the owner or operator of any system or facility related to the storage, collection, transportation, processing, or disposal of waste to establish and maintain records; to make reports; to install, use, and maintain monitoring equipment or methods; and to make tests, in accordance with methods, at locations, at intervals, and in a manner as the agency shall prescribe; and to provide other information as the agency may reasonably require;

(c) to conduct investigations, issue notices, public and otherwise, and order hearings as it may deem necessary or advisable for the discharge of its duties under chapter 116, including but not limited to the issuance of permits; and to authorize any member, employee, or agent appointed by it to conduct the investigations and issue the notices.

Sec. 11. Minnesota Statutes 1978, Section 116.081, Subdivision 1, is amended to read:

116.081 [PROHIBITIONS.] Subdivision 1. [OBTAIN PERMIT.] It shall be unlawful for any person to construct, install or operate an emission facility, air contaminant treatment facility, treatment facility, potential air contaminant storage facility, storage facility, or system or facility related to the collection, transportation, storage, processing, or disposal of (SOLID) waste, or any part thereof unless otherwise exempted by any agency (REGULATION) rule now in force or hereinafter adopted, until plans therefor shall have been submitted to the agency, and a written permit therefor shall have been granted by the agency. The requirements of this section shall not be applied to motor vehicles, abatement and control of air and land pollution during each biennium to the legislature with recommendations for action in furtherance of the air and land pollution and (SOLID) waste programs.

Sec. 12. Minnesota Statutes 1978, Section 116.101, is amended to read:

116.101 [HAZARDOUS WASTE CONTROL AND SPILL CONTINGENCY PLAN.] The pollution control agency shall study and investigate the problems of hazardous waste control

and shall develop a statewide hazardous waste (MANAGEMENT) *spill contingency* plan detailing the location of hazardous waste (DISPOSAL) facilities and storage sites throughout the state and the needs relative to the interstate transportation of hazardous waste.

(ELEMENTS OF) The statewide hazardous *waste* spill contingency plan (WHICH RELATE TO HAZARDOUS WASTES,) shall be incorporated into the statewide hazardous waste management (PLAN) *plans of the waste management board established by article II, section 1.* The pollution control agency shall develop an informational reporting system of hazardous waste quantities generated, *processed*, and disposed of in the state.

Sec. 13. Minnesota Statutes 1978, Section 116.41, is amended to read:

116.41 [WASTE AND WASTE FACILITIES CLASSIFICATION; TRAINING AND CERTIFICATION.] Subdivision 1. [LAND DISPOSAL FACILITY CLASSIFICATION.] *By January 1, 1982, the pollution control agency (MAY) shall classify, respectively, facilities for the disposal of solid waste, facilities for the disposal of sewage sludge, and facilities for the disposal of hazardous waste according to the degree of hazard to public health or the environment involved in their operation (, AND ACCORDING TO THE VOLUME OR HAZARDOUS CHARACTER OF SOLID WASTE DISPOSED OF AT THE FACILITY. THE AGENCY MAY DEVELOP STANDARDS OF COMPETENCE FOR PERSONS OPERATING VARIOUS CLASSES OF FACILITIES FOR THE DISPOSAL OF SOLID WASTE). The classification of disposal facilities for waste shall be based upon the degree of intrinsic hazard and the volume and rate of application of the waste accepted by a facility, the intrinsic suitability of the location of the facility, the design and operating character of the facility, and other factors deemed relevant by the agency.*

Subd. 1a. [HAZARDOUS WASTE CLASSIFICATION.] By January 1, 1982, the agency shall prescribe by rule criteria for excluding types and categories of hazardous wastes from disposal, criteria for accepting types and categories of wastes as suitable for disposal, and minimum pre-treatment standards required as a condition of acceptance for disposal. The criteria and standards shall be based upon the degree of intrinsic hazard of the waste; the availability of conventional processing technologies for reducing, separating, reusing, recycling, and treating the waste; the feasibility and cost of applying the processing technologies in relation to the benefits to be achieved by such application; the class of facility; and other factors deemed relevant by the agency.

Subd. 2. [TRAINING AND CERTIFICATION PROGRAMS.] The agency shall develop standards of competence for persons

operating and inspecting various classes of disposal facilities. The agency (MAY) shall conduct training programs for persons operating facilities for the disposal of (SOLID) waste and for inspectors of such facilities, and may charge such fees as are necessary to cover the actual costs of the training programs. (SUBD. 3. AFTER JULY 1, 1976, WHEN A FACILITY FOR THE DISPOSAL OF SOLID WASTE, OTHER THAN AN ANIMAL FEEDLOT, IS OPERATING UNDER A PERMIT FROM THE AGENCY,) The agency (MAY) shall require (THE OPERATOR) operators and inspectors of (THE FACILITY) such facilities to obtain from the agency a certificate of (HIS) competence (TO OPERATE THE FACILITY). The agency (MAY) shall conduct examinations to test the competence of applicants for certification, and (MAY) shall require that certificates be renewed at reasonable intervals. The agency may charge such fees as are necessary to cover the actual costs of receiving and processing applications, conducting examinations, and issuing and renewing certificates.

Subd. 3. [REGULATION AND ENFORCEMENT ASSISTANCE.] The agency shall establish a program to provide technical and financial assistance for regulation and enforcement to counties which have certified operators and inspectors conforming to the requirements of the agency, chapters 400 and 473, and articles I to VIII.

Subd. 4. [RULES.] The agency (MAY) shall adopt, amend, and rescind (SUCH) rules (AND REGULATIONS) as may be necessary to carry out the provisions of this section in accordance with chapter 15.

Sec. 14. [REPORT ON SEWAGE SLUDGE.] By January 1, 1981, in consultation with the department of health, the agency shall prepare and submit a report on sewage sludge disposal to the legislative commission. The report shall be based on available information and shall recommend appropriate strategies, procedures, and programs to abate potential health hazards resulting from sewage sludge disposal facilities. The report shall: (a) analyze the potential public health hazards resulting from sewage sludge disposal facilities and methods of abatement; (b) examine existing regional, state, and federal regulations regarding the pre-treatment of industrial wastewater and efforts which are being or could be made by industry to pre-treat their industrial wastewaters; (c) analyze the need and potential effects of state regulations on concentrations of toxic and hazardous substances in industrial wastewater effluent; (d) summarize the duties and relationships among government entities responsible for sewage and sewage sludge treatment and regulation.

ARTICLE XII

APPROPRIATIONS

Section 1. [APPROPRIATION.] Subdivision 1. The sum of \$2,900,000 is appropriated from the general fund, and the sum of \$15,000,000 is appropriated from the state waste management fund, to the agencies and for the purposes indicated in this section. Except as otherwise indicated in this section, appropriations are from the general fund and are available from the effective date of this act through the fiscal year ending June 30, 1981. Appropriations from the waste management fund are available until expended.

Subd. 2. [REAPPROPRIATED FUNDS.] The joint committee on solid and hazardous waste is abolished. The amount remaining from the appropriations in Laws 1979, Chapter 333, Section 2, Subdivision 3, for the joint committee shall be reappropriated in accordance with this subdivision. All reports required by this subdivision shall be prepared in consultation with the chairperson of the waste management board and shall be submitted to the legislative commission on waste management at the time of their submittal to the waste management board.

(a) Legislative Commission on Waste Management. \$65,000

This amount shall be available for expenditure by the commission on the effective date of this act.

(b) Commissioner of Economic Development. 10,000

Up to this amount shall be available on the effective date of this act for expenditure by the commissioner of economic development for the preparation of the reports to the waste management board required in article II, section 5, subdivisions 1 and 2.

(c) Director of the State Planning Agency. 15,000

Up to this amount shall be available on the effective date of this act for expenditure by the director of the state planning agency for preparation of the report to the board required in article II, section 5, subdivision 3, and for the preparation of a report to the board, by July 1, 1980, on public education and public participation in hazardous waste management planning. The report on public participation and education shall be prepared in consultation with the en-

vironmental quality board and shall contain analysis and recommendations on the purposes, the components, and the expeditious implementation of comprehensive public education and participation programs in hazardous waste management planning.

(d) Minnesota Geological Survey. 15,000

Up to this amount shall be available on the effective date of this act for expenditure by the Minnesota geological survey for preparation of a report to the board, by July 1, 1980, assessing the geologic and hydrogeologic suitability of land in the state for hazardous waste facility search areas and sites required to be selected under article II, section 6, and article III, section 4. The report by the geological survey shall be based on readily available data and shall be prepared in consultation with the United States geological survey, the pollution control agency, and the departments of health and natural resources.

(e) Waste Management Board.

The amount remaining on June 30, 1980, shall be reappropriated and added to the amount appropriated to the waste management board in subdivision 3, clause (a).

Subd. 3. [WASTE MANAGEMENT BOARD.] 15,718,000

This appropriation is available for the following purposes:

(a) General Operations and Management. 718,000

Approved Complement—14.

These positions are in the unclassified service and their continuation is dependent upon the availability of money from appropriations in this subdivision. When these appropriations have been expended the positions shall be cancelled and the approved complement reduced accordingly. The annual salary of the full-time chairperson of the board shall be \$45,000.

(b) Acquisition of Sites and Buffer Areas for Hazardous Waste Facilities. 6,200,000

This appropriation is from the state waste management fund, to be spent pursuant to article II, section 3, subdivision 4. Up to \$1,200,000 is available

for expenditure before June 30, 1981 for costs of staff and independent professional services needed for the selection and acquisition of sites.

(c) Waste Processing Facility Demonstration Program. 8,800,000

This appropriation is from the state waste management fund, to be spent pursuant to article VI, sections 4 and 6. Up to 5 percent is available for administration and technical and professional services.

Subd. 4. [POLLUTION CONTROL AGENCY.] 1,969,000

Approved Complement — 14.

Ten of these positions shall be for the purposes of clause (a) and four for the purposes of clause (b). These positions are in the unclassified service and their continuation is dependent upon the availability of money from this appropriation. When the appropriation has been expended the positions shall be cancelled and the approved complement reduced accordingly. This appropriation is available for the following purposes.

(a) General Operations and Management. 408,000

This appropriation is for the responsibilities of the agency under articles II, III, IV, VIII, IX, X, and XI. The agency shall submit to the legislative commission summaries of its work plans for implementing the provisions of these articles.

(b) Solid Waste Planning Assistance and Waste Reduction and Separation Projects. 570,000

This appropriation is to be spent pursuant to article V and article VI, sections 4 and 5. Up to 20 percent is available for administration and technical and professional services. It is a condition of the acceptance of this appropriation that the agency shall submit work programs and semi-annual progress reports in the form determined by the legislative commission on waste management. None of the moneys provided may be expended unless the commission has approved the work program.

(c) Metropolitan Solid Waste Management. 991,000

This appropriation is for a grant to the metropolitan council to implement chapter 473 and article X. Up to five percent is available for administration and up to \$65,000 is available to prepare reports by the council required by article X, section 2, subdivisions 2a and 2c. The remainder is available for grants to metropolitan counties for solid waste inventories and plans required under chapter 473 and article X.

Subd. 5. [ATTORNEY GENERAL.] 133,000

Approved Complement — 5.

Three of these positions shall be for attorneys and two for legal secretaries. These positions are in the unclassified service and their continuation is dependent upon the availability of money from this appropriation. When the appropriation has been expended the positions shall be cancelled and the approved complement reduced accordingly. This appropriation is available for legal services required by the waste management board and the pollution control agency in carrying out the provisions of this act.

Subd. 6. [ADMINISTRATION.] 80,000

Approved Complement — 3.

Two of these positions are in the unclassified service and their continuation is dependent upon the availability of money from this appropriation. When the appropriation has been expended the two positions shall be cancelled and the approved complement reduced accordingly. This appropriation is for transfer to the general services revolving fund, resource recovery account, to be used by the commissioner of administration for the implementation and operation of the state government resources recovery program under article II, section 12.

ARTICLE XIII

Section 1. Minnesota Statutes 1978, 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, *other than real property used primarily as a solid waste disposal site.*

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. Any such equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting 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.

Sec. 2. [REPEALER.] *Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2, 3, 4, 5, 6, and 7; 473.121, Subdivisions 27, 28, 29, 31, 31a, 31b, and 31c; and 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 728, Section 7, are repealed.*

Sec. 3. [EFFECTIVE DATE.] *Except as otherwise provided in this section, this act is effective the day following final enactment. Section 1 of this article is effective for taxes levied in 1980 and thereafter, payable in 1981 and thereafter. Article VIII, section 9, article IX, section 8, and article X, section 14, are effective July 1, 1982."*

Amend the title as follows:

Page 1, line 9, after "requiring" insert "solid and"

Page 1, line 10, after "establishing" insert "state and metropolitan"

Page 1, line 12, after the first semicolon insert "providing that certain solid waste disposal facilities are not exempt from real property taxes; authorizing the acquisition of property by purchase and eminent domain;"

Page 1, line 17, after "116.41;" insert "272.02, Subdivision 1;"

Page 1, line 22, delete "a subdivision" and insert "subdivisions"

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

House Conferees: JAMES R. CASSERLY, WILLIAM SCHREIBER and JAMES C. PEHLER.

Senate Conferees: GENE MERRIAM, ROBERT G. DUNN and GERALD L. WILLET.

Casserly moved that the report of the Conference Committee on H. F. No. 2023 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2023, A bill for an act relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring hazardous waste management planning and development; establishing procedures for

the review and approval of permits for waste facilities; authorizing debt; appropriating money; amending Minnesota Statutes 1978, Sections 116.06, Subdivisions 9, 10, 13, and by adding subdivisions; 116.07, Subdivisions 2, 4, 4a, and by adding subdivisions; 116.081, Subdivision 1; 116.101; 116.41; 400.03, Subdivision 1; 400.04; 400.06; 400.07; 400.13; 400.16; 400.161; 473.121, by adding a subdivision; 473.149; 473.502; 473.516; 473.801, Subdivision 1; 473.802; 473.803; 473.811; 473.813; 473.823, Subdivision 3, and by adding a subdivision; Chapter 400, by adding a section; and Chapter 473, by adding sections; repealing Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2 to 7; 473.121, Subdivisions 27 to 31c; 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 728, Section 7.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 99 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Aasness	Farcy	Kostohryz	Otis	Sieben, M.
Adams	Fjoslien	Kroening	Patton	Simoneau
Ainley	Forsythe	Lehto	Pehler	Stadium
Anderson, B.	Friedrich	Levi	Peterson, B.	Stoa
Anderson, D.	Fritz	Long	Peterson, D.	Stowell
Anderson, G.	Fudro	Luknic	Piepho	Sviggum
Berkelman	Greenfield	Mann	Pleasant	Swanson
Blatz	Halberg	McCarron	Reding	Tomlinson
Byrne	Heap	McDonald	Rees	Valan
Carlson, D.	Hoberg	Mehrkens	Reif	Valento
Carlson, L.	Hokanson	Metzen	Rice	Vanasek
Casserly	Jacobs	Munger	Rodriguez	Waldorf
Clark	Jaros	Murphy	Rose	Weaver
Clawson	Johnson, C.	Nelsen, B.	Rothenberg	Welch
Corbid	Johnson, D.	Nelson	Sarna	Wenzel
Crandall	Kahn	Norman	Schreiber	Wieser
Dempsey	Kaley	Novak	Searle	Wynia
Ellingson	Kelly	Nysether	Searles	Zubay
Evans	Kempe	Olsen	Sherwood	Spkr. Norton
Ewald	Knickerbocker	Osthoff	Sieben, H.	

Those who voted in the negative were:

Albrecht	Brinkman	Haukoos	McEachern	Thiede
Anderson, I.	Den Ouden	Jennings	Minne	Welker
Anderson, R.	Drew	Jude	Nelsen, M.	Wigley
Battaglia	Elioff	Kalis	Niehaus	
Begich	Erickson	Kvam	Onnen	
Biersdorf	Esau	Ludeman	Redalen	

The bill was repassed, as amended by Conference, and its title agreed to.

SPECIAL ORDERS

H. F. No. 2458, A resolution memorializing the President and Congress of the United States to block a plan of the Department of Energy to adopt rules prohibiting the weekend use of motor-boats during the present energy crisis.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 86 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Knickerbocker	Norman	Sieben, M.
Adams	Elioff	Kostohryz	Novak	Simoneau
Ainley	Erickson	Kroening	Nysether	Stadum
Anderson, B.	Esau	Kvam	Olsen	Stowell
Anderson, D.	Evans	Laidig	Onnen	Sviggum
Anderson, G.	Ewald	Ludeman	Osthoff	Swanson
Anderson, I.	Fjoslien	Luknic	Pehler	Thiede
Anderson, R.	Fritz	Mann	Peterson, B.	Valento
Battaglia	Fudro	McCarron	Peterson, D.	Weaver
Begich	Halberg	McDonald	Piepho	Welker
Berkelman	Heap	McEachern	Rees	Wenzel
Biersdorf	Hoberg	Mehrkens	Reif	Wieser
Brinkman	Hokanson	Metzen	Rodriguez	Wynia
Byrne	Jacobs	Minne	Rose	Spkr. Norton
Carlson, D.	Jennings	Murphy	Sarna	
Carlson, L.	Jude	Nelsen, B.	Schreiber	
Clark	Kaley	Nelsen, M.	Sherwood	
Dempsey	Kempe	Niehaus	Sieben, H.	

Those who voted in the negative were:

Blatz	Greenfield	Kalis	Pleasant	Tomlinson
Corbid	Haukoos	Kelly	Redalen	Waldorf
Drew	Jaros	Lehto	Reding	Wigley
Faricy	Johnson, D.	Long	Searle	Zubay
Friedrich	Kahn	Patton	Stoa	

The bill was passed and its title agreed to.

H. F. No. 1619; A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Section 3; removing the requirement that notaries public be approved by the senate; amending Minnesota Statutes 1978, Section 359.01.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Niehaus	Sherwood
Adams	Ellingson	Kalis	Norman	Sieben, H.
Ainley	Erickson	Kelly	Novak	Sieben, M.
Anderson, B.	Evans	Kempe	Nysether	Simoneau
Anderson, D.	Ewald	Kostohryz	Olsen	Stadum
Anderson, G.	Faricy	Kroening	Onnen	Stoa
Anderson, I.	Fjoslien	Kvam	Osthoff	Stowell
Anderson, R.	Forsythe	Laidig	Otis	Svigum
Battaglia	Friedrich	Lehto	Patton	Swanson
Begich	Fritz	Levi	Pehler	Thiede
Berkelman	Fudro	Long	Peterson, D.	Tomlinson
Biersdorf	Greenfield	Ludeman	Piepho	Valan
Blatz	Halberg	Luknic	Pleasant	Valento
Brinkman	Haukoos	Mann	Redalen	Vanasek
Byrne	Heap	McCarron	Reding	Waldorf
Carlson, D.	Heinitz	McDonald	Rees	Weaver
Carlson, L.	Hoberg	McEachern	Reif	Welch
Casserly	Hokanson	Mehrkens	Rice	Welker
Clark	Jacobs	Metzen	Rodriguez	Wenzel
Clawson	Jaros	Minne	Rose	Wieser
Corbid	Jennings	Moe	Rothenberg	Wigley
Crandall	Johnson, C.	Munger	Sarna	Wynia
Dempsey	Johnson, D.	Murphy	Schreiber	Zubay
Den Ouden	Jude	Nelsen, B.	Searle	Spkr. Norton
Drew	Kahn	Nelsen, M.	Searles	

Those who voted in the negative were:

Albrecht Knickerbocker

The bill was passed and its title agreed to.

S. F. No. 1708 was reported to the House.

Rice moved to amend S. F. No. 1708 as follows:

Page 1, after line 9, insert a section to read:

"Section 1. Minnesota Statutes 1978, Chapter 79, is amended by adding a section to read:

[79.43] [CHARACTER OF DATA REQUIRED.] *Data required to be submitted to the commissioner by the rating association or by its individual members pursuant to this chapter shall be data reflecting its members' Minnesota experience exclusively, except where Minnesota data would be actuarially insufficient for rate-making, as determined by the commissioner, in which case Minnesota data may be supplemented by non-Minnesota data, but only to the extent that Minnesota data are actuarially insufficient. In the case that Minnesota data are actuarially insufficient, the Minnesota data shall nonetheless be provided in a format which allows it to be separated from other data provided."*

Page 6, after line 2, insert a new section to read:

"Sec. 4. [EFFECTIVE DATE.] Section 1 is effective the day following final enactment."

Renumber the sections accordingly

Further, amend the title as follows:

Page 1, line 4, after the semi-colon insert "imposing certain restrictions on data submitted by insurers;"

Page 1, line 5, after "amending" insert "Minnesota Statutes 1978, Chapter 79, by adding a section;"

The motion prevailed and the amendment was adopted.

S. F. No. 1708, A bill for an act relating to workers' compensation; changing special compensation fund assessment procedures; providing for reimbursement to certain insurers; amending Minnesota Statutes, 1979 Supplement, Sections 176.131, Subdivision 10; and 176.191, Subdivision 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kelly	Niehaus	Sherwood
Adams	Esau	Kempe	Norman	Sieben, H.
Ainley	Evans	Knickerbocker	Novak	Sieben, M.
Albrecht	Ewald	Kostohryz	Nysether	Simoneau
Anderson, B.	Faricy	Kroening	Olsen	Stadum
Anderson, D.	Fjoslien	Kvam	Onnen	Stoa
Anderson, G.	Forsythe	Laidig	Osthoff	Stowell
Anderson, I.	Friedrich	Lehto	Otis	Sviggum
Anderson, R.	Fritz	Levi	Patton	Swanson
Berkelman	Fudro	Long	Pehler	Thiede
Biersdorf	Greenfield	Ludeman	Peterson, B.	Tomlinson
Brinkman	Halberg	Luknic	Peterson, D.	Valento
Byrne	Haukoos	Mann	Piepho	Vanasek
Carlson, D.	Heap	McCarron	Pleasant	Waldorf
Carlson, L.	Hoberg	McDonald	Redalen	Weaver
Casserly	Hokanson	McEachern	Reding	Welch
Clark	Jacobs	Mehrkens	Rees	Welker
Clawson	Jaros	Metzen	Reif	Wenzel
Corbid	Jennings	Minne	Rice	Wieser
Crandall	Johnson, C.	Moe	Rodriguez	Wigley
Dempsey	Johnson, D.	Munger	Rose	Wynia
Den Ouden	Jude	Murphy	Rothenberg	Zubay
Drew	Kahn	Nelsen, B.	Sarna	Spkr. Norton
Elioff	Kaley	Nelsen, M.	Schreiber	
Ellingson	Kalis	Nelson	Searles	

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1012, A bill for an act relating to housing; prohibiting unfair treatment in housing and real property on the basis of familial status; amending Minnesota Statutes 1978, Sections 363.01, Subdivision 24, and by adding subdivisions; 363.02, Subdivision 2; 363.03, Subdivision 2; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clark moved that the House concur in the Senate amendments to H. F. No. 1012 and that the bill be repassed as amended by the Senate.

CALL OF THE HOUSE

On the motion of Clark and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Den Ouden	Jude	Norman	Sieben, M.
Adams	Drew	Kaley	Novak	Stadum
Ainley	Elioff	Kalis	Nysether	Stoa
Albrecht	Ellingson	Kempe	Olsen	Stowell
Anderson, B.	Erickson	Knickerbocker	Onnen	Sviggum
Anderson, D.	Esau	Kostohryz	Osthoff	Swanson
Anderson, G.	Evans	Kroening	Otis	Thiede
Anderson, I.	Ewald	Kvam	Patton	Tomlinson
Anderson, R.	Faricy	Laidig	Pehler	Valan
Battaglia	Fjoslien	Lehto	Peterson, D.	Valento
Begich	Friedrich	Levi	Piepho	Vanasek
Berkelman	Fudro	Long	Pleasant	Waldorf
Biersdorf	Greenfield	Ludeman	Redalen	Weaver
Blatz	Halberg	Luknic	Rees	Welker
Brinkman	Haukoos	McDonald	Reif	Wenzel
Byrne	Heap	McEachern	Rice	Wieser
Carlson, L.	Hoberg	Mehrkens	Rodriguez	Wigley
Casserly	Hokanson	Minne	Rose	Wynia
Clark	Jacobs	Murphy	Rothenberg	Zubay
Clawson	Jaros	Nelsen, B.	Schreiber	
Corbid	Jennings	Nelsen, M.	Searle	
Crandall	Johnson, C.	Nelson	Searles	
Dempsey	Johnson, D.	Niehaus	Sherwood	

Faricy moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Clark motion that the House concur in the Senate amendments to H. F. No. 1012 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1012, A bill for an act relating to housing; prohibiting unfair treatment in housing and real property on the basis of familial status; providing for restrictions on eviction on the basis of familial status; appropriating money; amending Minnesota Statutes 1978, Sections 363.01, Subdivision 24, and by adding subdivisions; 363.02, Subdivision 2; 363.03, Subdivision 2; 363.05, Subdivision 1; 363.11; 363.115; 363.12, Subdivision 1; and Chapter 504, by adding a section.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 69 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Kempe	Nelsen, M.	Sieben, H.
Anderson, B.	Elioff	Kostohryz	Nelson	Sieben, M.
Anderson, G.	Ellingson	Kroening	Novak	Simoneau
Anderson, I.	Faricy	Lehto	Otis	Stadum
Battaglia	Greenfield	Long	Patton	Stoa
Begich	Hoberg	Luknic	Pehler	Tomlinson
Berkelman	Hokanson	Mann	Peterson, D.	Valan
Blatz	Jacobs	McCarron	Pleasant	Vanasek
Brinkman	Jaros	McEachern	Reding	Voss
Byrne	Johnson, C.	Metzen	Reif	Waldorf
Carlson, L.	Jude	Minne	Rice	Wenzel
Casserly	Kahn	Moe	Rodriguez	Wynia
Clark	Kalis	Munger	Rothenberg	Spkr. Norton
Clawson	Kelly	Murphy	Sarna	

Those who voted in the negative were:

Aasness	Esau	Johnson, D.	Nysether	Sherwood
Ainley	Evans	Kaley	Olsen	Stowell
Albrecht	Ewald	Knickerbocker	Onnen	Sviggum
Anderson, D.	Fjoslien	Kvam	Osthoff	Swanson
Anderson, R.	Forsythe	Laidig	Peterson, B.	Thiede
Biersdorf	Friedrich	Levi	Piepho	Valento
Carlson, D.	Fritz	Ludeman	Redalen	Weaver
Crandall	Fudro	McDonald	Rees	Weiker
Dempsey	Halberg	Mehrkens	Rose	Wieser
Den Ouden	Haukoos	Nelsen, B.	Schreiber	Wigley
Drew	Heap	Niehaus	Searle	Zubay
Erickson	Jennings	Norman	Searles	

The bill was repassed, as amended by the Senate, and its title agreed to.

SPECIAL ORDERS

CALL OF THE HOUSE LIFTED

McDonald moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

S. F. No. 2166 was reported to the House.

Long moved to amend S. F. No. 2166 as follows:

Page 8, line 20 after the period insert:

"The city council shall not exercise the powers contained in Minnesota Statutes, Chapter 462 prior to the initial adoption of an ordinance provided for in section 2, subdivision 1, or this subdivision."

Page 10, line 27, delete *"defined"* and insert *"provided"*

Page 14, line 27, delete *"provided"* and insert *"defined"*

The motion prevailed and the amendment was adopted.

Waldorf moved that S. F. No. 2166, as amended, be continued temporarily. The motion prevailed.

S. F. No. 407 was reported to the House.

Casserly moved to amend S. F. No. 407, the unofficial engrossment, as follows:

Page 1, line 13, strike *"February"* and insert *"August"*

The motion prevailed and the amendment was adopted.

S. F. No. 407 was given its third reading as amended.

Sherwood moved to amend S. F. No. 407, the unofficial engrossment, as follows:

Page 2, line 31 to page 2, line 33, delete *"For purposes of this section the population of a county does not include the population of a municipality within the county."*

Page 3, delete lines 26 to 28, Subdivision 3 from the bill

Sieben, H., moved that the House recess subject to the call of the Chair.

POINT OF ORDER

Halberg raised a point of order that the Sieben, H., motion was not in order. The Speaker ruled the point of order not well taken and the motion in order.

Sieben, H., withdrew his motion to recess.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Eken from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 2085, A bill for an act relating to public employees; creating a state department of employee relations; establishing appropriate units for state and university of Minnesota employees; providing for a right to strike; providing for interim contract approval by the legislative commission on employee relations; clarifying civil service laws; providing for health benefits; providing for a study of promotional systems; repealing duty of the revisor of statutes regarding certain collective bargaining agreements; appropriating money; amending Minnesota Statutes 1978, Sections 43.001; 43.01, Subdivision 8; 43.05, by adding a subdivision; 43.111; 43.18, Subdivision 4; 43.19, Subdivision 1; 43.245; 43.321; 43.45; 43.46; 179.63, Subdivisions 7 and 8; 179.64, Subdivisions 2, 3, 4, and 5, and by adding a subdivision; 179.67, Subdivision 4; 179.69, Subdivisions 1 and 3; 179.71, Subdivisions 3 and 5; 179.72, Subdivision 6; 179.74, Subdivisions 2 and 3; and Chapters 43 and 179, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 3.855; 43.05, Subdivision 2; 43.067, Subdivision 1; 43.19, Subdivision 1; 43.50, Subdivision 1; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5; and Laws 1979, Chapter 332, Article I, Sections 114 and 116; repealing Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7.

Reported the same back with the following amendments:

Page 4, line 15, after "*employees*" insert "*who are*"

Page 4, line 17, delete "*otherwise established by*" and insert "*provided for by section 43.064 or other*"

Page 6, line 8, delete the colon and insert "*to be designated*"

Page 7, line 12, strike "*personnel*"

Page 9, line 11, after "services" insert "and the public employment relations board"

Page 13, line 8, delete "or department"

Page 13, line 27, strike "personnel"

Page 14, lines 10 and 15, strike "personnel"

Page 15, line 3, strike "service" and insert "services"

Page 22, delete lines 6 to 12 and insert:

"The exclusions of clauses (e) and (f) of this subdivision shall not apply to:

(1) an employee hired by a school district to replace an absent teacher who at the time of his absence is a "public employee" not within the other exclusions of this subdivision where the replacement employee is employed more than 30 working days as a replacement for that teacher; and

(2) an employee hired by a school district for a teaching position created by increased enrollment, curriculum expansion, courses which are a part of the curriculum whether offered annually or not, or other appropriate reasons.

Employees included as "public employees" pursuant to clauses (1) and (2) shall not be included under master contracts expiring June 30, 1981, for purposes of salary or fringe benefits;"

Page 23, line 22, to page 25, line 16, delete Section 22 and insert:

"Sec. 22. Minnesota Statutes 1978, Section 179.64, is amended by adding a subdivision to read:

Subd. 1a. [STRIKES AUTHORIZED.] Except as otherwise provided by sections 31 and 32, public employees, other than confidential, essential, managerial and supervisory employees and other than principals and assistant principals, may strike only under the following circumstances:

(1) (a) The collective bargaining agreement between their exclusive representative and their employer has expired; and

(b) The exclusive representative and the employer have participated in mediation over a period of at least 30 days, provided that, in the case of teachers, they shall have participated in mediation over a period of at least 30 days following the expiration date of the collective bargaining agreement. For the purposes of this sub-clause the mediation period commences on the

day following receipt by the director of a request for mediation; and

(c) Written notification of intent to strike was served on the employer and the director by the exclusive representative on or after the expiration date of the collective bargaining agreement and at least ten days prior to the commencement of the strike, provided that if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification; or

(2) The requirements of clause 1 have been satisfied and a request for binding arbitration has been rejected pursuant to section 179.69; or

(3) The employer violates section 179.68, subdivision 2, clause (9); or

(4) In the case of state employees,

(a) The legislative commission on employee relations has not given interim approval to a negotiated agreement or arbitration award pursuant to section 179.74, subdivision 5, within 30 days after its receipt; or

(b) The entire legislature rejects or fails to ratify a negotiated agreement or arbitration award, which has been approved by the legislative commission on employee relations, at a special legislative session called to consider it, or at its next regular legislative session, whichever occurs first.

Written notification of intent to strike, under clauses (3) or (4), shall be served on the employer and the director by the exclusive representative at least ten days prior to the commencement of the strike, provided that if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification.

Except as authorized in this subdivision, all strikes by public employees shall be illegal. Except as provided in this subdivision, no unfair labor practice or violation of sections 179.61 to 179.76 by a public employer shall give public employees a right to strike. Those factors may be considered, however, by the court in mitigation of or retraction of any penalties provided by this section.

During the period after contract expiration and prior to the date when the right to strike matures, and for additional time if agreed, the terms of an existing contract shall continue in effect and shall be enforceable upon both parties."

Page 30, lines 28 and 29, reinstate the stricken language

Page 30, lines 29 to 31, delete the new language and insert "*However, for other than essential employees, mediation conferences following the expiration date of a collective bargaining agreement, or in the case of teachers following mediation over a period of 30 days after the expiration date of a collective bargaining agreement, shall continue only for durations agreeable to both parties.*"

Page 31, delete lines 1 to 25 and insert:

"Subd. 3. [BINDING ARBITRATION PETITIONS FOR NON-ESSENTIAL EMPLOYEES.] *For all public employees except those specified in subdivision 3a, the director shall only certify a matter to the board for binding arbitration pursuant to section 179.72 if:*

(a) *the director has determined that further mediation efforts under subdivision 1 would serve no purpose and has certified an impasse, or, the collective bargaining agreement has expired, and,*

(b) *within 15 days of a request by one party for binding arbitration the other party has accepted the request. A request for arbitration is deemed rejected if the other party has not responded within 15 days of the request.*

Subd. 3a. [BINDING ARBITRATION PETITIONS FOR ESSENTIAL EMPLOYEES.] *For all public employees defined as essential pursuant to section 179.73, subdivision 11, or treated as though they were essential pursuant to section 179.65, subdivision 6, the director shall only certify a matter to the board for binding arbitration pursuant to section 179.72 when either or both parties (, EXCEPT FOR ESSENTIAL EMPLOYEES,) petition for binding arbitration stating that an impasse has been reached and the director has determined that further mediation efforts under subdivision 1 would serve no purpose. (UPON SUCH PETITION AND DETERMINATION BY THE MEDIATOR, THE PARTIES SHALL EACH SUBMIT THEIR RESPECTIVE FINAL POSITIONS ON MATTERS NOT AGREED UPON. IF THE EMPLOYER HAS PETITIONED FOR BINDING ARBITRATION AND THE DIRECTOR HAS DETERMINED THAT AN IMPASSE HAS BEEN REACHED SAID PROCEEDINGS SHALL BEGIN WITHIN 15 DAYS THEREOF AND BE BINDING ON BOTH PARTIES. THE DIRECTOR SHALL DETERMINE THE MATTERS NOT AGREED UPON BASED UPON HIS EFFORTS TO MEDIATE THE DISPUTE. IF THE EMPLOYEE REPRESENTATIVE HAS PETITIONED FOR BINDING ARBITRATION THE EMPLOYER SHALL HAVE 15 DAYS AFTER THE DIRECTOR OF MEDIATION HAS DETERMINED THAT AN IMPASSE HAS BEEN REACHED TO REJECT THE RE-*

QUEST OR AGREE TO SUBMIT MATTERS NOT AGREED UPON TO BINDING ARBITRATION. IF THE EMPLOYER DOES NOT RESPOND WITHIN 15 DAYS IT SHALL BE REGARDED AS A REJECTION AND SAID REJECTION SHALL BE A REFUSAL BY THE EMPLOYER WITHIN THE MEANING OF SECTION 179.64, SUBDIVISION 7. UNDER A PETITION BY EITHER PARTY THE PARTIES MAY STIPULATE THOSE AGREED UPON ITEMS TO BE EXCLUDED FROM ARBITRATION.)

Subd. 3b. [PROCEDURE.] When the director has certified a matter to the board for binding arbitration pursuant to subdivision 3 or 3a, within 15 days the parties shall each submit their respective final positions on matters not agreed upon. Under a petition by either party the parties may stipulate those agreed upon items to be excluded from arbitration."

Page 31, delete lines 28 to 33 and insert:

"[179.691] If a new or different exclusive representative is certified by the director at any time other than the period between 120 days before the termination date of a contract and the termination date of the contract, or if on July 1 of any odd-numbered year a representation proceeding involving the employer and the employer's teachers is before the director, the provisions of subclauses (a) and (b) of clause (1) of section 22 shall not apply. In those cases, the employer and the exclusive representative of the teacher shall execute a written contract or memorandum of contract as provided in section 179.70 no later than 45 days after a certification by the director of a new or different exclusive representative or the resolution by the director of a representation proceeding. Either party may petition the director of mediation services for assistance in reaching an agreement, as provided in section 179.69, subdivision 1. If the employer and the exclusive representative fail to execute a contract by 45 days after the certification of a new or different exclusive representative or the resolution by the director of a representation proceeding, they shall be conclusively presumed to be at an impasse after having participated in mediation sessions called pursuant to section 179.69 over a period of no less than 30 days."

Page 32, delete lines 1 to 12

Page 32, line 16, delete "at any time"

Page 32, delete line 17

Page 32, line 18, delete everything before the comma

Page 32, line 19, delete "involving the"

Page 32, line 20, delete everything before "is"

Page 32, line 21, delete "179.691" and insert "179.64, subdivision 1a, clause 1, sub-clause (a)"

Page 33, delete lines 5 to 16

Page 34, after line 14, insert

"(a) (RETAIN) provide mediation (JURISDICTION OVER) services as requested by the parties for purposes of this subdivision until (SUCH TIME AS) the parties reach agreement; provided, however, he may continue to assist parties after the parties have submitted their final positions as provided or required under section 179.72, subdivision 6; or section 179.69 (, SUBDIVISION 6);

(b) issue notices, subpoenas and orders as may be required by law to carry out his duties under sections 179.61 to 179.77. Issuance of orders shall include those orders of the Minnesota public employment relations board;

(c) certify to the Minnesota public employment relations board those items of dispute between parties to be subject to the action of the Minnesota public employment relations board under section 179.69, subdivision 3;

(d) assist the parties in formulating petitions, notices, and other papers required to be filed with the director or the board;

(e) certify the final results of any election or other voting procedure conducted pursuant to sections 179.61 to 179.77;"

Page 35, line 14, after "Minnesota" insert "employee"

Page 35, line 31, delete "subdivision 3,"

Page 40, delete lines 1 to 7

Page 40, line 11, before "All" insert "Subject to the provisions of section 41, subdivision 5,"

Page 42, line 28, after "physicians," insert "professional employees of the higher education coordinating board who are compensated pursuant to section 43.064,"

Page 43, line 11, delete "the unit" and insert "their units"

Page 44, line 18, after "non-professional" insert "and service"

Page 45, line 27, delete everything after "the" and insert "period between September 1 and November 1"

Page 45, line 28, delete "by rule"

Page 46, line 12, after the period insert "*The employer shall serve a copy of the petition on the exclusive representatives of the affected employees*"

Page 46, line 20, after "court" insert "*which shall hear the matter on an expedited basis*"

Page 46, line 21, after "9" insert "each"

Page 47, line 6, delete "30" and insert "60"

Page 47, line 7, delete "60 day period commencing" and insert "*period between September 1 and November 1*"

Page 47, delete line 8

Page 47, line 9, delete "*the units*"

Page 50, line 25, delete "Until June 30, 1981" and insert "*Notwithstanding the provisions of section 40, the*"

Page 50, line 32, after "rights" insert "*until June 30, 1981*"

Page 51, line 3, delete "and shall" and insert ". *They shall also*"

Page 51, line 25, delete ", if such"

Page 51, delete line 26

Page 51, line 27, delete everything before the period

Page 52, line 10, after the period insert "*When no agreement can be reached between the employer and petitioning employee organizations on the confidential status of a state employee, the commission of employee relations may petition the director for a determination. The commissioner shall serve a copy of the petition on the exclusive representatives of the affected employees.*"

Page 52, line 11, after "supervisory" insert "or confidential"

Page 52, line 12, after "nonsupervisory" insert "or nonconfidential"

Page 52, line 28, delete "determnation" and insert "determination"

Page 53, line 29, delete "1981-1983" and insert "*next*"

Page 53, line 30, delete "64" and strike the comma

Page 54, lines 5 to 13, delete section 46

Page 54, line 17, delete "*personnel*" and insert "*approved*"

Page 55, line 2, after "*affiliation*" insert "*of an exclusive representative*"

Renumber the sections accordingly

Correct internal references

And when so amended the bill be re-referred to the Committee on Appropriations without further recommendation.

The report was adopted.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1878, A bill for an act relating to no-fault automobile insurance; coordinating benefits with medicare and workers' compensation; extending eligibility for the assigned claims plan; eliminating certain mandatory offers; amending Minnesota Statutes 1978, Sections 65B.46, Subdivision 2; 65B.61, Subdivisions 1 and 2, and by adding subdivisions; 65B.64, Subdivision 1; re-

pealing Minnesota Statutes 1978, Section 65B.49, Subdivisions 5 and 6.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2289, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing certain restrictions on highway bonds.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 729, A bill for an act relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 256B.35.

The Senate has appointed as such committee Messrs. Vega, Nelson and Keefe, J.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1931, A bill for an act relating to Ramsey County; simplifying the numbering of the county code; amending Laws 1974, Chapter 435, Articles I to IV, as amended.

The Senate has appointed as such committee Messrs. Stumpf, Hughes and Mrs. Brataas.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1662, A bill for an act relating to state government; providing for a demonstration job-sharing project in state government; appropriating money.

The Senate has appointed as such committee Mrs. Staples, Messrs. Nelson and Ogdahl.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2470, A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; authorizing purchase and sale of public lands and buildings; appropriating money.

The Senate has appointed as such committee Messrs. Moe, Tennesen, Humphrey, Kleinbaum and Keefe, J.

House File No. 2470 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1302, A bill for an act relating to financial institutions; permitting banks and trust companies to take junior liens

under certain circumstances; amending Minnesota Statutes 1978, Section 48.19, Subdivision 1.

The Senate has appointed as such committee Messrs. Bang, Laufenburger and Johnson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the house for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1534, A bill for an act relating to real estate; increasing certain fees charged by the county recorder and registrar of titles; providing that the county recorder be notified of deferred assessments; amending Minnesota Statutes 1978, Sections 273.111, Subdivision 11; 357.18, Subdivision 1; 375.14; 429.061, Subdivision 2; 462.358, by adding a subdivision; and 508.82.

The Senate has appointed as such committee Messrs. Strand, Lessard and Frederick.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1847, A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; appropriating money.

The Senate has appointed as such committee Messrs. Sikorski, Nelson and Keefe, J.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1612, A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing property tax relief; excepting the conveyance of certain land from restrictions on the filing and recording of conveyances; modifying the policy statement for municipal planning and development; appropriating money; amending Minnesota Statutes 1978, Sections 462.351; and 462.358, Subdivision 4.

The Senate has appointed as such committee Messrs. Sikorski, Merriam and Engler.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1201, A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; stating the evidentiary effect of certain blood tests; altering certain safety requirements and motor noise limits; providing an outline for distributing water safety enforcement funds; appropriating money; amending Minnesota Statutes 1978, Sections 361.02, by adding subdivisions; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.18; 361.20; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; 361.27, Subdivision 1; and 361.29, Subdivision 4; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

The Senate has appointed as such committee Messrs. Dunn, Nichols and Peterson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1816, A bill for an act relating to local correctional facilities; updating provisions concerning county jails, city lock-ups and workhouses; clarifying provisions penalizing the possession of contraband in local correctional facilities; repealing provisions concerning correctional or work farms; providing for establishing and organizing court administrative structure; budgeting and operation of court services, probation, juvenile detention and correctional facilities by counties; amending Minnesota Statutes 1978, Sections 401.02, Subdivision 3; 641.01; 641.04; 641.06; 641.14; 641.15; 641.16; 641.165, Subdivision 2; 641.18; 641.21; 641.22; 642.02, Subdivision 2; 642.03 642.07; 642.12; 643.01; 643.02; and 643.29; repealing Laws 1925, Chapter 12; Laws 1927, Chapter 142; Minnesota Statutes 1945, Sections 643.21; 643.22; 643.23; 643.24; 643.25; 643.26; 643.27; 643.28; and Minnesota Statutes 1978, Sections 641.17; 641.27; 641.28; 641.29; 641.30; 641.31; 641.32; 641.33; 641.34; 641.35; 641.36; 641.37; 641.38; 642.14; 643.03; 643.04; 643.05; 643.06; 643.07; 643.08; 643.09; 643.10; 643.11; 643.12; 643.13; 643.14; 643.15; 643.16; 643.17; 643.19; and 643.20.

The Senate has appointed as such committee Messrs. Solon, Nelson and Vega.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2040, A bill for an act relating to government data; providing definitions; classifying data as public, private, confidential, non-public, or protected non-public; amending Minnesota Statutes 1978, Sections 15.162, by adding subdivisions; 15.165, Subdivision 3; 600.23, Subdivision 3; and Chapter 15, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.163, Subdivisions 3, 5, and 9; 15.1642, Subdivisions 1 and 5; 15.166, Subdivision 4; 15.1692, Subdivision 2, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1698, Subdivision 1, and by adding subdivisions; repealing Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 4.

The Senate has appointed as such committee Messrs. Tennes-
sen, Keefe, J. and Stern.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate accedes to the request of
the House for the appointment of a Conference Committee on
the amendments adopted by the Senate to the following House
File:

H. F. No. 2082, A bill for an act relating to elections; provid-
ing for special elections to fill vacancies in statutory city offices;
amending Minnesota Statutes 1978, Sections 205.10; 205.17,
Subdivision 1; and 412.02, Subdivision 2, and by adding a sub-
division.

The Senate has appointed as such committee Messrs. Schaaf,
Keefe, S., Johnson, Ueland, A. and Jensen.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate accedes to the request of the
House for the appointment of a Conference Committee on the
amendments adopted by the Senate to the following House File:

H. F. No. 1095, A bill for an act relating to courts; authorizing
certain actions against state officers to be tried in a county other
than where the cause of action arose; providing for procedure
for removal; amending Minnesota Statutes 1978, Sections 542.-
03; and 542.18.

The Senate has appointed as such committee Messrs. Han-
son, Bernhagen and Merriam.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate accedes to the request of
the House for the appointment of a Conference Committee on

the amendments adopted by the Senate to the following House File:

H. F. No. 2187, A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in the city of Brooklyn Center.

The Senate has appointed as such committee Messrs. Luther, Stern and Keefe, J.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 874, A bill for an act relating to state government; changing certain administrative procedures; amending Minnesota Statutes 1978, Sections 15.0411, Subdivision 2; 15.0412, Subdivisions 2, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1 and 4; 15.0422; 15.0424, Subdivision 6; and 15.052, Subdivisions 1, 2, 5, 7, 8 and 9; repealing Minnesota Statutes 1978, Sections 5.21, and 15.0423.

The Senate has appointed as such committees Messrs. Schaaf, Dieterich and Keefe, J.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

SPECIAL ORDERS

S. F. No. 407, as amended earlier today on Special Orders, was reported to the House.

MOTION FOR RECONSIDERATION

Welker moved that the action whereby S. F. No. 407, as amended, was given its third reading be now reconsidered.

Casserly moved that S. F. No. 407, as amended, be continued temporarily. The motion prevailed.

S. F. No. 2166, continued temporarily earlier today, as amended, was reported to the House.

Pleasant offered an amendment to S. F. No. 2166.

POINT OF ORDER

Sieben, H., raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Pleasant appealed the decision of the chair.

A roll call was requested and properly seconded.

Simoneau was excused for the remainder of today's session.

CALL OF THE HOUSE

On the motion of Sieben, H., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Eken	Kaley	Niehaus	Sieben, H.
Adams	Elioff	Kalis	Norman	Sieben, M.
Ainley	Ellingson	Kelly	Novak	Stadium
Albrecht	Erickson	Kempe	Nysether	Stoa
Anderson, B.	Esau	Knickerbocker	Olsen	Stowell
Anderson, D.	Evans	Kostohryz	Onnen	Sviggum
Anderson, G.	Ewald	Kroening	Osthoff	Swanson
Anderson, I.	Farley	Kvam	Otis	Thiede
Anderson, R.	Fjoslien	Laidig	Patton	Tomlinson
Battaglia	Forsythe	Lehto	Pehler	Valan
Begich	Friedrich	Levi	Peterson, B.	Valento
Berglin	Fritz	Long	Peterson, D.	Vanasek
Berkelman	Fudro	Ludeman	Piepho	Voss
Biersdorf	Greenfield	Luknic	Pleasant	Waldorf
Blatz	Halberg	Mann	Redalen	Weaver
Brinkman	Haukoos	McCarron	Reding	Welch
Byrne	Heap	McDonald	Rees	Welker
Carlson, D.	Heinitz	McEachern	Reif	Wenzel
Carlson, L.	Hoberg	Mehrkens	Rice	Wieser
Casserly	Hokanson	Metzen	Rodriguez	Wigley
Clark	Jacobs	Minne	Rose	Wynia
Clawson	Jaros	Moe	Rothenberg	Zubay
Corbid	Jennings	Munger	Sarna	Spkr. Norton
Crandall	Johnson, C.	Murphy	Schreiber	
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Searles	
Drew	Kahn	Nelson	Sherwood	

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 67 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Kalis	Murphy	Stoa
Anderson, B.	Eken	Kelly	Neisen, M.	Stowell
Anderson, G.	Elioff	Kempe	Nelson	Swanson
Anderson, I.	Ellingson	Kostohryz	Novak	Tomlinson
Battaglia	Farcy	Kroening	Otis	Vanasek
Begich	Friedrich	Lehto	Patton	Voss
Berglin	Fudro	Long	Pehler	Waldorf
Berkelman	Greenfield	Mann	Peterson, D.	Weich
Brinkman	Hokanson	McCarron	Reding	Wenzel
Byrne	Jacobs	McEachern	Rice	Wynia
Carlson, L.	Jaros	Metzen	Rodriguez	Spkr. Norton
Casserly	Johnson, C.	Minne	Sarna	
Clark	Jude	Moe	Sieben, H.	
Clawson	Kahn	Munger	Sieben, M.	

Those who voted in the negative were:

Aasness	Esau	Kaley	Onnen	Searles
Ainley	Evans	Knickerbocker	Osthoff	Sherwood
Albrecht	Fjoslien	Kvam	Peterson, B.	Stadum
Anderson, D.	Forsythe	Laidig	Piepho	Sviggum
Anderson, R.	Fritz	Levi	Pleasant	Thiede
Biersdorf	Halberg	Ludeman	Redalen	Valan
Blatz	Haukoos	Luknic	Rees	Valento
Carlson, D.	Heap	McDonald	Reif	Weaver
Crandall	Heinitz	Mehrkens	Rose	Welker
Dempsey	Hoberg	Nelsen, B.	Rothenberg	Wieser
Den Ouden	Jennings	Niehaus	Schreiber	Wigley
Drew	Johnson, D.	Olsen	Searle	Zubay

So it was the judgment of the House that the decision of the Speaker should stand.

S. F. No. 2166, A bill for an act relating to the cities of Minneapolis, Bloomington and Winona; authorizing the creation of an economic development and redevelopment agency or department; granting powers of the port authority to the city of Bloomington; providing powers and conditions of debt for the port authority of Winona; providing for hearings for the issuance of industrial revenue bonds; amending Minnesota Statutes 1978, Section 458.192, Subdivision 1, and by adding subdivisions; and Minnesota Statutes, 1979 Supplement, Sections 462C.07, Subdivision 3; and 474.01, Subdivision 7b.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

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

There were 117 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Kelly	Norman	Sieben, H.
Adams	Eken	Kempe	Novak	Sieben, M.
Ainley	Elioff	Knickerbocker	Nysether	Stadum
Anderson, B.	Ellingson	Kostohryz	Olsen	Stoa
Anderson, D.	Erickson	Kroening	Onnen	Stowell
Anderson, G.	Esau	Laidig	Otis	Sviggum
Anderson, I.	Evans	Lehto	Patton	Swanson
Anderson, R.	Ewald	Levi	Pehler	Tomlinson
Battaglia	Faricy	Long	Peterson, B.	Valan
Begich	Forsythe	Ludeman	Peterson, D.	Valento
Berglin	Friedrich	Luknic	Piepho	Vanasek
Berkelman	Fudro	Mann	Pleasant	Voss
Biersdorf	Greenfield	McCarron	Reding	Waldorf
Blatz	Halberg	McDonald	Rees	Weaver
Brinkman	Heap	McEachern	Reif	Welch
Byrne	Heinitz	Mehrkens	Rice	Welker
Carlson, D.	Hoberg	Metzen	Rodriguez	Wenzel
Carlson, L.	Hokanson	Minne	Rose	Wieser
Casserly	Jacobs	Moe	Rothenberg	Wynia
Clark	Johnson, C.	Munger	Sarna	Zubay
Clawson	Jude	Murphy	Schreiber	Spkr. Norton
Corbid	Kahn	Nelsen, B.	Searle	
Crandall	Kaley	Nelsen, M.	Searles	
Dempsey	Kalis	Nelson	Sherwood	

Those who voted in the negative were:

Albrecht	Fritz	Johnson, D.	Redalen	Wigley
Drew	Haukoos	Kvam	Thiede	
Fjoslien	Jennings	Niehaus		

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

S. F. No. 407, continued temporarily earlier today, as amended, was reported to the House.

UNANIMOUS CONSENT

Casserly requested unanimous consent to offer an amendment. The request was granted.

Casserly moved to amend S. F. No. 407, the unofficial engrossment, as follows:

Page 3, line 27, delete "five years" insert "30 months"

The motion prevailed and the amendment was adopted.

S. F. No. 407, A bill for an act relating to regional development commissions; requiring a report on the commission's effectiveness; providing procedures for terminating commissions; amending Minnesota Statutes 1978, Section 462.393; and Chapter 462, by adding a section.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Niehaus	Sherwood
Adams	Eken	Kaley	Norman	Sieben, H.
Ainley	Elioff	Kalis	Novak	Sieben, M.
Albrecht	Ellingson	Kelly	Nysether	Stadum
Anderson, B.	Erickson	Kempe	Olsen	Stoa
Anderson, D.	Esau	Knickerbocker	Onnen	Stowell
Anderson, G.	Evans	Kostohryz	Osthoff	Swiggum
Anderson, I.	Ewald	Kroening	Otis	Swanson
Anderson, R.	Faricy	Kvam	Patton	Thiede
Battaglia	Fjoslien	Laidig	Pehler	Tomlinson
Begich	Forsythe	Levi	Peterson, B.	Valan
Berglin	Friedrich	Long	Peterson, D.	Valento
Berkelman	Fritz	Ludeman	Piepho	Vanasek
Biersdorf	Fudro	Luknic	Pleasant	Voss
Blatz	Greenfield	Mann	Redalen	Waldorf
Brinkman	Halberg	McCarron	Reding	Weaver
Byrne	Haukoos	McDonald	Rees	Welch
Carlson, D.	Heap	McEachern	Reif	Welker
Carlson, L.	Heinitz	Mehrkens	Rice	Wenzel
Casserly	Hoberg	Metzen	Rodriguez	Wieser
Clark	Hokanson	Minne	Rose	Wigley
Clawson	Jacobs	Munger	Rothenberg	Wynia
Corbid	Jennings	Murphy	Sarna	Zubay
Crandall	Johnson, C.	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, M.	Searle	
Den Ouden	Jude	Nelson	Searles	

Those who voted in the negative were:

Lehto

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

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1818

A bill for an act relating to game and fish; authorizing moose seasons in the discretion of the commissioner; granting preference to landowners in obtaining moose licenses; amending Minnesota Statutes 1978, Section 100.27, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 100.271, Subdivision 1.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1818, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 97.40, Subdivision 7, is amended to read:

Subd. 7. "Fur bearing animals" includes all protected mammals, except *bear*, deer, moose, elk and caribou.

Sec. 2. Minnesota Statutes 1978, Section 97.49, is amended by adding a subdivision to read:

Subd. 1a (a) For purposes of this subdivision, "deer license" means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clauses (2) and (3) and subdivision 14, clauses (2) and (3).

(b) It is the policy of this state that at least \$1 from each deer license issued by the commissioner shall be used for the purpose of deer habitat improvement.

Sec. 3. [98.455] [BEAR HUNTING GUIDE LICENSE.] *No person shall for compensation engage in the business or occupation of placing bait for bear or guiding hunters in seeking to take bear without an annual license from the commissioner. The commissioner shall promulgate rules governing qualifications for, issuance and administration of licenses required by this section. No license shall be issued under this section after the day prior to the opening of the season for taking bear by firearms, and all license agents shall return all stubs and unsold license blanks to the county auditor at a time and in a manner to be determined by the commissioner.*

Sec. 4. Minnesota Statutes 1978, 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 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, \$50, provided 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;

(3) To trap beaver during an open season or by permit when doing damage, \$2.50;

(4) To guide bear hunters, \$50.

Sec. 5. Minnesota Statutes 1978, Section 98.46, Subdivision 16, is amended to read:

Subd. 16. (FEE) Fees for the following (LICENSE) licenses, 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, clause (2).

To guide bear hunters, \$400.

Sec. 6. Minnesota Statutes 1978, Section 98.46, Subdivision 22, is amended to read:

Subd. 22. No deer (OR), moose, or bear taken in this state shall be transported or possessed unless a tag of a type prescribed by the commissioner bearing the license number of the owner, the year of its issue, and such other information as the commissioner may require has been affixed to its carcass in a manner prescribed by the commissioner. The tag must be so affixed at the time the deer (OR), moose, or bear 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 tag herein provided for.

Sec. 7. Minnesota Statutes 1978, Section 98.47, Subdivision 7, is amended to read:

Subd. 7. (NO LICENSE TO TRAP BEAVER SHALL BE ISSUED TO ANY PERSON TO WHOM A FUR BUYER'S LICENSE SHALL HAVE BEEN ISSUED AND IN FORCE, AND) No license to take fish commercially in international waters extending from Pigeon Point West to the North Dakota boundary line shall be issued to any person or member of his household, or employee, engaged in the business of conducting a summer resort.

Sec. 8. Minnesota Statutes 1978, Section 98.47, Subdivision 15, is amended to read:

Subd. 15. A permanent license to take fish shall be issued (AT THE PREVAILING FEE FOR AN INDIVIDUAL RESI-

DENT LICENSE) *without charge* to any citizen of Minnesota, 16 years of age or older, who is mentally retarded and whose parent or guardian furnishes satisfactory evidence of the disability to the county auditor or a subagent of the county auditor, acting under the provisions of section 98.50.

Sec. 9. Minnesota Statutes 1978, Section 98.47, Subdivision 16, is amended to read:

Subd. 16. A permanent license to take fish shall be issued (AT THE PREVAILING FEE FOR AN INDIVIDUAL RESIDENT LICENSE) *without charge* to any Minnesota veteran as defined in section 197.447, who has a 100 percent service connected disability as defined by the United States veterans administration, and furnishes satisfactory evidence of his disability to the county auditor or a subagent of the county auditor, acting under the provisions of section 98.50.

Sec. 10. Minnesota Statutes 1978, Section 100.27, Subdivision 2, is amended to read:

Subd. 2. Deer, moose and bear may be taken in such areas of the state, under such restrictions and on such dates within the periods hereafter prescribed as the commissioner may, by order, provide:

(1) Deer and bear by bow and arrow; legal muzzle loading firearms as defined in section 100.29, subdivision 3, clause (2), or both, between September 1 and December 31 and in any areas of the state designated by the commissioner. Legal muzzle loading firearms shall be permitted by the commissioner on public lands only;

(2) Deer, by legal firearms and with bow and arrow, between November 1 and December 15, with the length of the season to be determined by the commissioner; and

(3) Moose, between January 1 and December 31 (IN ANY OF THE CALENDAR YEARS 1976 THROUGH 1979) as determined by the commissioner, by legal firearms and with bow and arrow, in areas of the state, and under such restrictions and on such dates as the commissioner may by order provide; for purposes of this section a split season in any one calendar year shall be considered as one season.

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 100.27, Subdivision 4, is amended to read:

Subd. 4. Muskrats may be taken for a period not exceeding (60) 90 days in the aggregate for the area, otter for a period not exceeding 15 days, only by trapping, and mink for a period not exceeding 90 days, in the areas of the state, during the times be-

tween October 25th and April 30th of the following year and subject to any other restrictions which the commissioner shall prescribe. Beaver may be taken, by trapping only, in the areas of the state, during the times between October 25th and April 30th of the following year and subject to any other restrictions which the commissioner shall prescribe.

Sec. 12. Minnesota Statutes, 1979 Supplement, Section 100.271, Subdivision 1, is amended to read:

100.271 [MOOSE OR TURKEY; LICENSES.] Subdivision 1. At the time of issuing the order setting the dates of a moose or turkey season, the commissioner shall include in the same order the number of licenses to be issued for that season. Those eligible to receive a license shall be determined by the commissioner according to the provisions of this section and such rules as the commissioner may provide. The commissioner may, if he deems it advisable, conduct a separate selection for not to exceed 20 percent of the licenses to be issued for any one area, for which selection the only eligible applicants *for turkey licenses* will be persons who live as owners or tenants on 40 acres or more of *agricultural or grazing land within the prescribed area, and the only eligible applicants for moose licenses shall be persons who are owners of or live as tenants on not less than 160 acres of agricultural or grazing land within the prescribed area.* Landowners or tenants who are unsuccessful in (THIS) *these separate (SELECTION) selections* shall be included in the (SELECTION) *selections* for the remaining licenses.

Any landowner or tenant who is successful in the commissioner's separate selection shall permit turkey hunting on his land during the turkey season.

Sec. 13. Minnesota Statutes 1978, Section 100.29, Subdivision 1, is amended to read:

100.29 [RESTRICTIONS AND PROHIBITIONS.] Subdivision 1. It shall be unlawful to take protected wild animals, except raccoon *and fox*, with the use of a gun or bow and arrows between (SUNSET AND ONE HALF HOUR BEFORE SUNRISE) *the evening and morning times established by the commissioner by order.* It shall be unlawful to take pheasants between (SUNSET) *the evening time established by the commissioner by order* and 9 a.m.

Sec. 14. Minnesota Statutes 1978, Section 101.41, Subdivision 2, is amended to read:

Subd. 2. Except as otherwise provided, the following fish may be taken only by angling with a single line except that not more than two lines and two baits may be used to take fish through the ice, transported and possessed, subject to all other provisions of chapters 97 to 102, between the dates set opposite each species:

Species

Large and small mouthed black bass

Dates — May 15th and (FEB. 15th) *the third Monday in February*

Trout

Dates — As the commissioner may by order prescribe between Jan. 1st and Oct. 31st

Lake trout (land-locked salmon)

Dates — Jan. 1st and Oct. 31st

Wall-eyed pike

Dates — May 15th and (FEB. 15th) *the third Monday in February*

Sauger (sand pike)

Dates — May 15th and (FEB. 15th) *the third Monday in February*

Great Northern pike and pickerel

Dates — May 15th and (FEB. 15th) *the third Monday in February*

Muskellunge

Dates — May 15th and (FEB. 15th) *the third Monday in February*

Rock bass and white bass

Dates — No closed season

Crappies

Dates — No closed season

Sunfish and blue gill

Dates — No closed season

Catfish

Dates — No closed season

Bullheads

Dates — No closed season

Carp, dogfish, redhorse, sheepshead, suckers, eelpout, garfish, perch, whitefish, tullibees, buffalofish

Dates — No closed season

Sec. 15. Minnesota Statutes 1978, Section 100.29, Subdivision 31, is amended to read:

Subd. 31. *Any person placing bait for bear shall display a tag as prescribed by the commissioner at each site where bait is placed and register the location of the bait in a manner prescribed by the commissioner. It shall be unlawful to take bear by using solid waste containing bottles, cans, plastic, paper, metal or any other materials that are not readily biodegradable as a bait or a lure for the purpose of attracting the bear.*

Sec. 16. Minnesota Statutes 1978, Section 100.30, is amended to read:

100.30 [POSSESSION, SALE, TRANSPORTATION.] The skins of all fur bearing animals, the hides of *bear*, deer or moose, *the claws of bear*, and the flesh of beaver, muskrat, raccoon, rabbits and hares, legally taken and bearing such seals or tags as may be required by chapters 97 to 102, may be bought, sold, and transported at any time, provided the flesh of animals enumerated herein, except muskrats, shall not be transported outside of the state of Minnesota.

Sec. 17. [EFFECTIVE DATE.] *Sections 8, 9, and 11 are effective for the license seasons beginning March 1, 1981.*

Further, amend the title by deleting it in its entirety and inserting:

“A bill for an act relating to game and fish; excluding bears from the definition of fur bearing animals; providing that a portion of deer license fees shall be used for the purpose of deer habitat improvement; requiring licenses of persons providing guide services for bear hunters; specifying fees; requiring tagging of bears taken in the state; removing certain restrictions on the trapping of beaver; providing for free fishing licenses for certain mentally retarded and disabled residents; authorizing moose seasons at the discretion of the commissioner;

granting landowners preference for moose licenses; extending the muskrat trapping season; changing the times of day during which certain wild animals may be taken; regulating bear baiting; allowing sale of bear hides and claws; altering the end date of certain fishing seasons; amending Minnesota Statutes 1978, Sections 97.40, Subdivision 7; 97.49, by adding a subdivision; 98.46, Subdivisions 4, 16 and 22; 98.47, Subdivisions 7, 15 and 16; 100.27, Subdivision 2; 100.29, Subdivisions 1 and 31; 100.30; 101.41, Subdivision 2; Minnesota Statutes, 1979 Supplement, Sections 100.27, Subdivision 4; and 100.271, Subdivision 1."

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

House Conferees: LEO J. REDING, DOUGLAS W. CARLSON and RICHARD J. KOSTOHRYZ.

Senate Conferees: COLLIN C. PETERSON, BOB LESSARD and JOHN BERNHAGEN.

Reding moved that the report of the Conference Committee on H. F. No. 1818 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1818, A bill for an act relating to game and fish; authorizing moose seasons in the discretion of the commissioner; granting preference to landowners in obtaining moose licenses; amending Minnesota Statutes 1978, Section 100.27, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 100.271, Subdivision 1.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Byrne	Evans	Jaros	Long
Adams	Carlson, D.	Ewald	Jennings	Ludeman
Ainley	Carlson, L.	Faricy	Johnson, C.	Luknic
Albrecht	Casserly	Fjoslien	Johnson, D.	Mann
Anderson, B.	Clark	Forsythe	Jude	McCarron
Anderson, D.	Clawson	Friedrich	Kahn	McDonald
Anderson, G.	Corbid	Fritz	Kaley	McEachern
Anderson, I.	Crandall	Fudro	Kalis	Mehrkens
Anderson, R.	Dempsey	Greenfield	Kelly	Metzen
Battaglia	Den Ouden	Halberg	Kempe	Minne
Begich	Drew	Haukoos	Knickerbocker	Moe
Berglin	Eken	Heap	Kostohryz	Munger
Berkelman	Elioff	Heinitz	Kvam	Murphy
Biersdorf	Ellingson	Hoberg	Laidig	Nelsen, B.
Blatz	Erickson	Hokanson	Lehto	Nelsen, M.
Brinkman	Esau	Jacobs	Levi	Nelson

Niehaus	Peterson, D.	Rothenberg	Stowell	Welch
Norman	Piepho	Sarna	Swanson	Welker
Novak	Pleasant	Schreiber	Thiede	Wenzel
Olsen	Redalen	Searle	Tomlinson	Wieser
Onnen	Reding	Searles	Valan	Wigley
Osthoff	Rees	Sherwood	Valento	Wynia
Otis	Reif	Sieben, H.	Vanasek	Zubay
Patton	Rice	Sieben, M.	Voss	Spkr. Norton
Pehler	Rodriguez	Stadum	Waldorf	
Peterson, B.	Rose	Stoa	Weaver	

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1727

A bill for an act relating to family; providing that natural parents may obtain a copy of an adopted child's original birth certificate; allowing parents ten days to revoke consent to adoption; providing a pre-adoption residency of three months; amending Minnesota Statutes 1978, Sections 144.218, Subdivision 1; 144.225, Subdivision 2; 259.24, Subdivision 5, and by adding a subdivision; 259.25, Subdivision 1, and by adding a subdivision; 259.27, Subdivision 4; and Chapter 259, by adding a section; repealing Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6; and 259.25, Subdivision 2.

April 1, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1727, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1727, be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 144.218, Subdivision 1, is amended to read:

144.218 [NEW CERTIFICATES OF BIRTH.] Subdivision 1. Upon receipt of a certified copy of an order, decree, or certificate of adoption, the state registrar shall register a supplementary certificate in the new name of the adopted person. The original certificate of birth and the certified copy are confidential pursuant to section 15.162, subdivision 2a, and shall

not be disclosed except pursuant to court order or section 144.-1761. A certified copy of the original birth certificate from which the registration number has been deleted and which has been marked "Not for Official Use," or the information contained on the original birth certificate, except for the registration number, shall be provided on request to a parent who is named on the original birth certificate. Upon the receipt of a certified copy of a court order of annulment of adoption the state registrar shall restore the original certificate to its original place in the file.

Sec. 2. Minnesota Statutes 1978, Section 144.225, Subdivision 2, is amended to read:

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, a parent of the person born out of wedlock as provided by section 1, 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.

Sec. 3. Minnesota Statutes 1978, Chapter 257, is amended by adding a section to read:

[257.34] [DECLARATION OF PARENTAGE.] *Subdivision 1. The mother and father of an illegitimate child may, in a writing signed by both of them before a notary public, declare and acknowledge under oath that they are the biological parents of the child. The declaration may provide that any illegitimate child born to the mother on or before ten months after the date of execution of the declaration is the biological child of the signatories. Execution of the declaration shall:*

(a) *Have the same consequences as an acknowledgement by the signatories of parentage of the child for the purposes of sections 62A.041 and 62C.14, subdivision 5a;*

(b) *Be conclusive evidence that the signatories are parents of the child for the purposes of sections 176.111 and 197.09 to 197.11;*

(c) *Have the same consequences as an acknowledgement by the father of paternity of the child for the purposes of sections 257.251 and 257.252;*

(d) *When timely filed with the division of vital statistics of the Minnesota department of health as provided in section 259.261, qualify as an affidavit stating the intention of the*

signatories to retain parental rights as provided in section 259.261 if it contains the information required by section 259.261 or rules promulgated thereunder;

(e) Have the same consequences as a writing declaring paternity of the child for the purposes of section 525.172; and

(f) Be conclusive evidence that the signatories are parents of the child for the purposes of chapter 573.

Subd. 2. The declaration authorized by subdivision 1 shall be conclusive evidence of all the matters stated therein and shall have the same effect as an adjudication of paternity for the purposes of the statutory provisions described in subdivision 1.

Subd. 3. The declaration authorized by subdivision 1 shall not affect the rights or duties arising out of a parent-child relationship of any person not a signatory to the declaration claiming to be the parent of the child nor shall the declaration impair any rights of the child arising out of a parent-child relationship against any person not a signatory to the declaration.

Sec. 4. Minnesota Statutes 1978, Section 259.24, Subdivision 2, is amended to read:

Subd. 2. [PARENTS, GUARDIAN.] If a parent who consents to the adoption of an illegitimate child is under 18 years of age, the consent of his parents or guardian, if any, also shall be required; if either or both the parents are disqualified for any of the reasons enumerated in subdivision 1, the consent of such parent shall be waived, and the consent of the guardian only shall be sufficient; and, if there be neither parent nor guardian qualified to give such consent, the consent may be given by the commissioner. *The agency overseeing the adoption proceedings shall ensure that the minor parent is offered the opportunity to consult with an attorney, a clergyman or a physician before consenting to adoption of the child. The advice or opinion of the attorney, clergyman or physician shall not be binding on the minor parent. If the minor parent cannot afford the cost of consulting with an attorney, clergyman or physician, the county shall bear that cost.*

Sec. 5. Minnesota Statutes 1978, Section 259.24, Subdivision 5, is amended to read:

Subd. 5. [EXECUTION.] All consents to an adoption, except those by the commissioner, his agent, a licensed child-placing agency, or the child's parent when that parent is either a co-petitioner in the adoption proceeding or does not have custody of the child, shall be executed before a representative of the commissioner, his agent or a licensed child-placing agency. In addition all consents to an adoption shall be in writing (,) and

shall contain notice to the parent of the substance of section 6, providing for the right to withdraw consent. Consents shall be executed before two competent witnesses and acknowledged by the consenting party. Consents shall be filed in the adoption proceedings at any time before the matter is heard provided, however, that a consent executed and acknowledged outside of this state, either in accordance with the law of this state or in accordance with the law of the place where executed, is valid.

Sec. 6. Minnesota Statutes 1978, Section 259.24, is amended by adding a subdivision to read:

Subd. 6a. [WITHDRAWAL OF CONSENT.] A parent's consent to adoption may be withdrawn for any reason within ten working days after the consent is executed and acknowledged. Written notification of withdrawal of consent must be received by the agency to which the child was surrendered no later than the tenth working day after the consent is executed and acknowledged. On the day following the tenth working day after execution and acknowledgement, the consent shall become irrevocable, except upon order of a court of competent jurisdiction after written findings that consent was obtained by fraud. In proceedings to determine the existence of fraud, the adoptive parents and the child shall be made parties. The proceedings shall be conducted to preserve the confidentiality of the adoption process. There shall be no presumption in the proceedings favoring the natural parents over the adoptive parents.

Sec. 7. Minnesota Statutes 1978, Section 259.25, Subdivision 1, is amended to read:

259.25 [AGREEMENT CONFERRING AUTHORITY TO PLACE FOR ADOPTION.] Subdivision 1. **[CONSENTS REQUIRED.]** The parents and guardian, if there be one, of a legitimate child may enter into a written agreement with the commissioner of public welfare or an agency, giving the commissioner or such agency authority to place the child for adoption. The parents of an illegitimate child also may enter into such written agreement, but, if he is under the age of 18 years the written consent of his parents and guardian, if any, also shall be required; if either or both of the parents are disqualified from giving such consent for any of the reasons enumerated in section 259.24, subdivision 1, then the written consent of the guardian shall be required. Such agreement and consent shall be in the form prescribed by the commissioner and shall contain notice to the parent of the substance of section 8 providing for the right to revoke the agreement. The agreement shall be executed by the commissioner or agency, or one of their authorized agents, and all other necessary parties, and shall be filed, together with the consent, in the proceedings for the adoption of the child.

Sec. 8. Minnesota Statutes 1978, Section 259.25, is amended by adding a subdivision to read:

Subd. 2a. A parent's agreement to authorize placing a child for adoption may be revoked for any reason within ten working days after the agreement is executed. Written notification of revocation must be received by the agency which was given authority to place the child no later than the tenth working day after the agreement is executed. On the day following the tenth working day after execution the agreement shall become irrevocable, except upon order of a court of competent jurisdiction after written findings that the agreement was obtained by fraud. Proceedings to determine the existence of fraud shall be conducted as provided in section 6 for proceedings to determine fraud in obtaining consent.

Sec. 9. Minnesota Statutes 1978, Section 259.27, Subdivision 4, is amended to read:

Subd. 4. [PREADoption RESIDENCE.] No petition shall be granted until the child shall have lived (SIX) three months in the proposed home, subject to a right of visitation by the commissioner or an agency or their authorized representatives.

Sec. 10. Minnesota Statutes 1978, 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) a parent to a child in the following cases:

(a) With the written consent of (PARENTS) a parent who for good cause (DESIRE) desires to terminate (THEIR) his parental rights; or

(b) If it finds that one or more of the following conditions exist:

(1) That the (PARENTS HAVE) parent has abandoned the child; or

(2) That the (PARENTS HAVE) parent has substantially (AND), continuously, or repeatedly refused or neglected to (GIVE THE CHILD NECESSARY PARENTAL CARE AND PROTECTION) comply with the duties imposed upon that parent by the parent and child relationship, including but not limited to providing the child with necessary food, clothing, shelter, education, and other care and control necessary for the child's physical, mental or emotional health and development, if the parent is physically and financially able; 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) *a parent has been ordered to contribute to the support of the child or financially aid in the child's birth and has continuously failed to do so without good cause. This clause shall not be construed to state a grounds for termination of parental rights of a noncustodial parent if that parent has not been ordered to or cannot financially contribute to the support of the child or aid in the child's birth; 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) *a parent is palpably unfit to be a party to the parent and child relationship because of a consistent pattern of specific conduct before the child or of specific conditions directly relating to the parent and child relationship either of which are determined by the court to be permanently detrimental to the physical or mental health 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 1978, Section 260.241, Subdivision 1, is amended to read:

260.241 [TERMINATION OF PARENTAL RIGHTS; EFFECT.] Subdivision 1. If, after a hearing, the court finds *by clear and convincing evidence* that one or more of the conditions set out in section 260.221 exist, it may terminate parental rights. (IF THE COURT TERMINATES PARENTAL RIGHTS OF BOTH PARENTS, OR OF THE MOTHER IF THE CHILD IS ILLEGITIMATE, OR OF THE ONLY LIVING PARENT, THE COURT SHALL ORDER GUARDIANSHIP AND LEGAL CUSTODY OF THE CHILD TRANSFERRED TO:)

((A) THE COMMISSIONER OF PUBLIC WELFARE;
OR)

((B) A LICENSED CHILD PLACING AGENCY; OR)

((C) A REPUTABLE INDIVIDUAL OF GOOD MORAL CHARACTER.)

Upon the termination of parental rights all rights, powers, privileges, immunities, duties, and obligations, including any rights to custody, control, visitation, or support existing between the child and parent shall be severed and terminated and the parent shall have no standing to appear at any further legal proceeding concerning the child. Provided, however, that a parent whose parental rights are terminated shall remain liable for the unpaid balance of any support obligation owed under a court order upon the effective date of the order terminating parental rights.

Sec. 12. Minnesota Statutes 1978, Section 260.241, Subdivision 2, is amended to read:

(SUBD. 2. (A) A GUARDIAN APPOINTED UNDER THE PROVISIONS OF SUBDIVISION 1 HAS LEGAL CUSTODY OF HIS WARD UNLESS THE COURT WHICH APPOINTS HIM GIVES LEGAL CUSTODY TO SOME OTHER PERSON. IF THE COURT AWARDS SUCH CUSTODY TO A PERSON OTHER THAN SUCH GUARDIAN, THE GUARDIAN NONETHELESS HAS THE RIGHT AND RESPONSIBILITY OF REASONABLE VISITATION, EXCEPT AS LIMITED BY COURT ORDER.)

((B) SUCH GUARDIAN MAY MAKE MAJOR DECISIONS AFFECTING THE PERSON OF HIS WARD, INCLUDING BUT NOT LIMITED TO GIVING CONSENT (WHEN SUCH CONSENT IS LEGALLY REQUIRED) TO THE MARRIAGE, ENLISTMENT IN THE ARMED FORCES, MEDICAL, SURGICAL, OR PSYCHIATRIC TREATMENT, OR ADOPTION OF THE WARD. WHEN, PURSUANT TO CLAUSE (A) OF SUBDIVISION 1, THE COMMISSIONER OF PUBLIC WELFARE IS APPOINTED SUCH GUARDIAN, HE MAY DELEGATE TO THE WELFARE BOARD OF THE COUNTY IN WHICH, AFTER SUCH APPOINTMENT, THE WARD RESIDES, THE AUTHORITY TO ACT FOR HIM IN DECISIONS AFFECTING THE PERSON OF HIS WARD, INCLUDING BUT NOT LIMITED TO GIVING CONSENT TO THE MARRIAGE, ENLISTMENT IN THE ARMED FORCES, MEDICAL, SURGICAL, OR PSYCHIATRIC TREATMENT OF THE WARD.)

((C) A GUARDIANSHIP CREATED UNDER THE PROVISIONS OF SUBDIVISION 1 SHALL NOT IN ITSELF INCLUDE THE GUARDIANSHIP OF ANY ESTATE OF THE WARD.) *An order terminating the parent and child relationship shall not disentitle a child to any benefit due the child from any third person, agency, state, or the United States, nor shall any action under this section be deemed to affect any rights and benefits that a child derives from the child's descent from a member of a federally recognized Indian tribe.*

Sec. 13. Minnesota Statutes 1978, Chapter 260, is amended by adding a section to read:

[260.242] [GUARDIAN.] *Subdivision 1. If the court terminates parental rights of both parents or of the only known living parent, the court shall order the guardianship and the legal custody of the child transferred to:*

- (a) *The commissioner of public welfare; or*
- (b) *A licensed child placing agency; or*
- (c) *An individual who is willing and capable of assuming the appropriate duties and responsibilities to the child.*

Subd. 2. (a) A guardian appointed under the provisions of subdivision 1 has legal custody of his ward unless the court which appoints him gives legal custody to some other person. If the court awards custody to a person other than the guardian, the guardian nonetheless has the right and responsibility of reasonable visitation, except as limited by court order.

(b) The guardian may make major decisions affecting the person of his ward, including but not limited to giving consent (when consent is legally required) to the marriage, enlistment in the armed forces, medical, surgical, or psychiatric treatment, or adoption of the ward. When, pursuant to subdivision 1, clause (a), the commissioner of public welfare is appointed guardian, he may delegate to the welfare board of the county in which, after the appointment, the ward resides, the authority to act for him in decisions affecting the person of his ward, including but not limited to giving consent to the marriage, enlistment in the armed forces, medical, surgical, or psychiatric treatment of the ward.

(c) A guardianship created under the provisions of subdivision 1 shall not of itself include the guardianship of the estate of the ward.

Sec. 14. *Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6, and 259.25, Subdivision 2, are repealed.*

Sec. 15. *Sections 1 to 3 are effective the day following final enactment. Sections 4 to 9 are effective August 1, 1980 for consents to adoption, agreements to placement and pre-adoption residences commenced on or after that date. Sections 10 to 13 are effective August 1, 1980."*

Further amend the title by deleting it in its entirety and inserting:

A bill for an act relating to family; providing that natural parents may obtain a copy of an adopted child's original birth

certificate; authorizing a multi-purpose declaration of parentage; providing counsel for certain minor parents; allowing parents ten days to revoke consent to adoption; providing a pre-adoption residency of three months; changing certain procedures and criteria for termination of parental rights; amending Minnesota Statutes 1978, Sections 144.218, Subdivision 1; 144.225, Subdivision 2; 259.24, Subdivisions 2 and 5, and by adding a subdivision; 259.25, Subdivision 1, and by adding a subdivision; 259.27, Subdivision 4; 260.221; 260.241, Subdivisions 1 and 2; and Chapters 257 and 260, by adding sections; repealing Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6; and 259.25, Subdivision 2.

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

House Conferees: RAY W. FARICY, MICHAEL R. SIEBEN and TERRY M. DEMPSEY.

Senate Conferees: JACK DAVIES, RON SIELOFF and HOWARD A. KNUTSON.

Faricy moved that the report of the Conference Committee on H. F. No. 1727 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1727, A bill for an act relating to family; providing that natural parents may obtain a copy of an adopted child's original birth certificate; allowing parents ten days to revoke consent to adoption; providing a pre-adoption residency of three months; amending Minnesota Statutes 1978, Sections 144.218, Subdivision 1; 144.225, Subdivision 2; 259.24, Subdivision 5, and by adding a subdivision; 259.25, Subdivision 1, and by adding a subdivision; 259.27, Subdivision 4; and Chapter 259, by adding a section; repealing Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6; and 259.25, Subdivision 2.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Berglin	Corbid	Ewald	Heinitz
Adams	Berkelman	Crandall	Faricy	Hoberg
Ainley	Biersdorf	Dempsey	Fjoslien	Hokanson
Albrecht	Blatz	Den Ouden	Forsythe	Jacobs
Anderson, B.	Brinkman	Drew	Friedrich	Jaros
Anderson, D.	Byrne	Eken	Fritz	Jennings
Anderson, G.	Carlson, D.	Elioff	Fudro	Johnson, C.
Anderson, I.	Carlson, L.	Ellingson	Greenfield	Johnson, D.
Anderson, R.	Casserly	Erickson	Halberg	Jude
Battaglia	Clark	Esau	Haukoos	Kahn
Begich	Clawson	Evans	Heap	Kaley

Kalis	McDonald	Olsen	Rothenberg	Valan
Kelly	McEachern	Onnen	Sarna	Valento
Kempe	Mehrkens	Otis	Schreiber	Vanasek
Knickerbocker	Metzen	Patton	Searle	Voss
Kostohryz	Minne	Pehler	Searles	Waldorf
Kroening	Moe	Peterson, B.	Sherwood	Weaver
Kvam	Munger	Peterson, D.	Sieben, H.	Welch
Laidig	Murphy	Piepho	Sieben, M.	Welker
Lehto	Nelsen, B.	Pleasant	Stadum	Wenzel
Levi	Nelsen, M.	Redalen	Stoa	Wieser
Long	Nelson	Reding	Stowell	Wigley
Ludeman	Niehaus	Rees	Sviggum	Wynia
Luknic	Norman	Reif	Swanson	Zubay
Mann	Novak	Rodriguez	Thiede	Spkr. Norton
McCarron	Nysether	Rose	Tomlinson	

The bill was repassed, as amended by Conference, and its title agreed to.

SPECIAL ORDERS, Continued

S. F. No. 1358, A bill for an act relating to insurance; clarifying provisions regarding acquisition of control of domestic insurers; changing the time period after which a hearing must be held under the insurance holding company systems act; changing the time period under which discovery must be completed for these hearings; eliminating an exemption from the insurance holding company systems act; amending Minnesota Statutes 1978, Section 60D.02, Subdivisions 4 and 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Jaros	Munger	Rose
Adams	Den Ouden	Jennings	Murphy	Rothenberg
Ainley	Drew	Johnson, C.	Nelsen, B.	Schreiber
Albrecht	Eken	Johnson, D.	Nelsen, M.	Searle
Anderson, B.	Elioff	Jude	Nelson	Sherwood
Anderson, D.	Ellingson	Kahn	Niehaus	Sieben, M.
Anderson, G.	Erickson	Kaley	Norman	Stadum
Anderson, I.	Esau	Kalis	Novak	Sviggum
Anderson, R.	Evans	Kelly	Nysether	Swanson
Battaglia	Ewald	Kempe	Olsen	Thiede
Begich	Farcy	Knickerbocker	Onnen	Tomlinson
Berglin	Fjoslien	Kroening	Osthoff	Valento
Berkelman	Forsythe	Kvam	Otis	Voss
Biersdorf	Friedrich	Laidig	Patton	Waldorf
Blatz	Fritz	Long	Pehler	Weaver
Brinkman	Fudro	Ludeman	Peterson, B.	Welch
Byrne	Greenfield	Luknic	Peterson, D.	Welker
Carlson, D.	Halberg	Mann	Piepho	Wenzel
Carlson, L.	Haukoos	McCarron	Pleasant	Wieser
Casserly	Heap	McDonald	Redalen	Wigley
Clark	Heinitz	McEachern	Reding	Wynia
Clawson	Hoberg	Mehrkens	Rees	Zubay
Corbid	Hokanson	Minne	Reif	Spkr. Norton
Crandall	Jacobs	Moe	Rodriguez	

Those who voted in the negative were:

Kostohryz	Levi	Searles	Sieben, H.	Stowell
Lehto				

The bill was passed and its title agreed to.

S. F. No. 1662 was reported to the House.

There being no objection, S. F. No. 1662 was continued on Special Orders for one day.

S. F. No. 1802, A bill for an act relating to foreign corporations; removing certain deficiencies and ambiguities; defining certain activities that do not constitute transacting business in the state; and removing limitations on engaging in the business of making real estate loans; amending Minnesota Statutes 1978, Sections 303.02, Subdivision 3; 303.03; 303.04; and 303.25.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 22 yeas and 101 nays as follows:

Those who voted in the affirmative were:

Brinkman	Knickerbocker	McDonald	Rees	Weaver
Erickson	Kvam	Metzen	Searle	Wigley
Forsythe	Laidig	Nelsen, B.	Searles	
Halberg	Levi	Olsen	Sieben, H.	
Hoberg	Long	Peterson, B.	Sieben, M.	

Those who voted in the negative were:

Aasness	Corbid	Jaros	Murphy	Stadum
Adams	Crandall	Jennings	Nelsen, M.	Stoa
Ainley	Dempsey	Johnson, C.	Nelson	Sviggum
Albrecht	Den Ouden	Johnson, D.	Niehaus	Swanson
Anderson, B.	Drew	Jude	Norman	Thiede
Anderson, D.	Eken	Kahn	Novak	Tomlinson
Anderson, G.	Elioff	Kaley	Nysether	Valan
Anderson, I.	Ellingson	Kalis	Onnen	Valento
Anderson, R.	Esau	Kelly	Osthoff	Vanasek
Battaglia	Evans	Kempe	Otis	Voss
Begich	Faricy	Kostohryz	Pehler	Waldorf
Berglin	Fjoslien	Kroening	Peterson, D.	Welch
Berkelman	Friedrich	Lehto	Piepho	Welker
Biersdorf	Fritz	Ludeman	Redalen	Wenzel
Blatz	Fudro	Luknic	Reding	Wieser
Byrne	Greenfield	Mann	Reif	Wynia
Carlson, D.	Haukoos	McEachern	Rice	Zubay
Carlson, L.	Heap	Mehrkens	Rodriguez	
Casserly	Heinitz	Minne	Rose	
Clark	Hokanson	Moe	Rothenberg	
Clawson	Jacobs	Munger	Sarna	

The bill was not passed.

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Voss from the Committee on Appropriations to which was referred:

S. F. No. 2085, A bill for an act relating to public employees; creating a state department of employee relations; establishing appropriate units for state and university of Minnesota employees; providing for a right to strike; providing for interim contract approval by the legislative commission on employee relations; clarifying civil service laws; providing for health benefits; providing for a study of promotional systems; repealing duty of the revisor of statutes regarding certain collective bargaining agreements; appropriating money; amending Minnesota Statutes 1978, Sections 43.001; 43.01, Subdivision 8; 43.05, by adding a subdivision; 43.111; 43.18, Subdivision 4; 43.19, Subdivision 1; 43.245; 43.321; 43.45; 43.46; 179.63, Subdivisions 7 and 8; 179.64, Subdivisions 2, 3, 4, and 5, and by adding a subdivision; 179.67, Subdivision 4; 179.69, Subdivisions 1 and 3; 179.71, Subdivisions 3 and 5; 179.72, Subdivision 6; 179.74, Subdivisions 2 and 3; and Chapters 43 and 179, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 3.855; 43.05, Subdivision 2; 43.067, Subdivision 1; 43.19, Subdivision 1; 43.50, Subdivision 1; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5; and Laws 1979, Chapter 332, Article I, Sections 114 and 116; repealing Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 3.855, is amended to read:

3.855 [LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS.] Subdivision 1. [ESTABLISHMENT.] There is created the legislative commission on employee relations. The

commission shall consist of six members of the senate and six members of the house of representatives. The senate members shall include the (MAJORITY) leader of the majority caucus of the senate, the (MINORITY) leader of the minority caucus of the senate, the chairman of the governmental operations committee, the chairman of the finance committee, the chairman of the (TAX) committee on taxes and tax laws, and an additional member designated by the (MINORITY) leader (, OR THEIR DESIGNEES) of the minority caucus. The house members shall include the speaker, the (MINORITY) leader of the minority caucus of the house, the chairman of the governmental operations committee, the chairman of the appropriations committee, the chairman of the (TAX) taxes committee, and an additional member designated by the (MINORITY) leader (, OR THEIR DESIGNEES) of the minority caucus. In the event that the membership of the house is evenly divided, the house members shall be selected pursuant to the rules of the house. Any member of the commission may resign by providing notice to the chairman. In the event of a resignation by a member of the: (1) senate, a replacement shall be selected from among the members of the senate by the committee on rules; (2) house, a replacement shall be selected from among the members of the house pursuant to house rules. The commission shall elect its own officers who shall serve for terms of two years. The chairmanship of the commission shall alternate between a member of the senate and a member of the house.

Subd. 2. [STATE EMPLOYEE NEGOTIATIONS.] (PRIOR TO THE COMMENCEMENT OF COLLECTIVE BARGAINING ACTIVITIES WITH STATE EMPLOYEES, THE COMMISSION SHALL CONDUCT HEARINGS AT WHICH PUBLIC EMPLOYEES, REPRESENTATIVES OF PUBLIC EMPLOYEES AND THE COMMISSIONER OF PERSONNEL SHALL BE ALLOWED TO TESTIFY AS TO THEIR BEGINNING NEGOTIATING POSITIONS.) The commissioner of (PERSONNEL) employee relations shall regularly advise the commission on the progress of collective bargaining activities with state employees pursuant to the state public employment labor relations act. During the course of the negotiations, the commission may make recommendations to the commissioner as it deems appropriate but no recommendation shall impose any obligation or grant any right or privilege to the parties. The commissioner shall submit to the chairman of the commission any negotiated agreements or arbitration awards (WHICH THE COMMISSIONER HAS APPROVED WITHIN FIVE DAYS OF THE MAKING THEREOF). Approved negotiated agreements shall be submitted within five days of the date of approval by the commissioner or the date of approval by the affected state employees whichever occurs later. Arbitration awards shall be submitted within five days of their receipt by the commissioner. If the commission disapproves of any agreement or award, the commission shall specify in writing to the parties those portions with which it disagrees and the reasons therefor. (UPON

RECEIPT OF THE NOTICE OF DISAPPROVAL FROM THE COMMISSION, THE COMMISSIONER OF PERSONNEL WILL REOPEN THE NEGOTIATIONS.) If the commission approves of an agreement or award, it shall cause the matter to be submitted to the legislature to be accepted or rejected pursuant to section 179.74, *subdivision 5*. Failure of the commission to disapprove of (AFFECTED PORTIONS OF) an agreement or award within 30 days of its receipt shall be deemed approval. Approval or disapproval by the commission shall not be binding on the entire legislature.

After adjournment of the legislature in an odd numbered year, the commission may give interim approval to a negotiated agreement or arbitration award. It shall submit the negotiated agreement or arbitration award to the entire legislature for ratification as provided in section 179.74, subdivision 5.

Subd. 3. [OTHER DUTIES.] In addition to the duties specified in subdivision 2, the commission shall perform the following:

(a) *Review and approve, reject, or modify a plan for compensation, terms and conditions of employment prepared and submitted by the commissioner of employee relations pursuant to section 10 covering all state employees who are not represented by an exclusive bargaining representative and whose compensation is not provided for by section 43.064 or other law;*

(b) *Continually monitor the state's civil service system (,) as provided for in chapter 43, rules of the commissioner of employee relations and the collective bargaining process (,) as provided for in sections 179.61 to 179.76, as applied to state employees;*

((B)) (c) *Research and analyze the need for improvements in those statutory sections; (AND)*

((C)) (d) *Adopt rules not inconsistent with this section relating to the scheduling and conduct of commission business and other organizational and procedural matters; and*

(e) *Perform such other related functions as are delegated to it by the legislature.*

Sec. 2. Minnesota Statutes 1978, Chapter 43, is amended by adding a section to read:

[43.0001] *The name of the department of personnel is changed to the department of employee relations. The title of the commissioner of personnel is changed to the commissioner of employee relations. Subject to applicable laws, the department of employee relations, with its commissioner and officers, shall con-*

tinue to exercise all the powers and duties vested in or imposed upon the department and commissioner of personnel immediately prior to the effective date of this section.

Sec. 3. Minnesota Statutes 1978, Section 43.001, is amended to read:

43.001 [DEPARTMENT OF EMPLOYEE RELATIONS; CREATION.] Subdivision 1. The department of (PERSONNEL) *employee relations* is hereby created under the control and supervision of a commissioner of (PERSONNEL) *employee relations*, which office is hereby established.

Subd. 2. The commissioner of (PERSONNEL) *employee relations* is appointed by the governor under the provisions of section 15.06. (HE SHALL HAVE BROAD EXPERIENCE IN A MANAGERIAL POSITION INCLUDING ABOUT FIVE YEARS AS AN EXECUTIVE PERSONNEL MANAGER IN ONE OR MORE ORGANIZATIONS ESSENTIALLY SIMILAR IN COMPLEXITY TO STATE GOVERNMENT.) *The commissioner shall be knowledgeable in executive personnel management and shall have background in labor relations.*

Subd. 3. The commissioner may appoint (ONE DEPUTY COMMISSIONER AND) a confidential secretary, (EACH OF WHOM) *who shall serve at the pleasure of the commissioner in the unclassified service.*

Subd. 4. Subject to (THE PROVISIONS OF LAWS 1973, CHAPTER 507 AND TO OTHER) applicable laws (GOVERNING A STATE DEPARTMENT OR AGENCY), the commissioner shall organize the department and employ (SUCH) other officers, employees, and agents (AS HE MAY DEEM) necessary to discharge the functions of (HIS) *the department*, define the duties of (SUCH) *these officers, employees, and agents* and (TO) delegate to them any (OF HIS) powers, duties, and responsibilities subject to (HIS) *the commissioner's control* and under (SUCH) conditions as (HE) *the commissioner* may prescribe. Personnel employed pursuant to this subdivision are in the classified service of the state civil service.

Subd. 5. *The department of employee relations shall be organized into two divisions to be designated the division of personnel and the division of labor relations. Each division shall be under the immediate charge of a deputy commissioner.*

Subd. 6. *The deputy commissioners for the divisions of personnel and labor relations shall be appointed by and serve at the pleasure of the commissioner, and shall be in the unclassified service of the state. The deputy commissioner for the division of labor relations shall have extensive background in labor relations and shall have experience in dealing with contracts similar in*

complexity to those negotiated between the state and exclusive representatives of state employees.

Subd. 7. Each division of the department of employee relations shall be responsible for administering the duties and functions that are assigned to it by law and by the commissioner of employee relations. Insofar as the duties of the divisions are not mandated by law, the commissioner may establish and revise the assignments of either division.

Subd. 8. The division of labor relations shall perform the duties assigned to the commissioner of employee relations by sections 3.855, 43.05, subdivision 3 and chapter 179.

The deputy commissioner for the division of labor relations shall be the chief state labor negotiator for purposes of negotiating and administering agreements with exclusive representatives of state employees.

Subd. 9. The division of personnel shall perform the duties assigned to the commissioner by section 43.05, subdivision 2.

Sec. 4. Minnesota Statutes 1978, Section 43.01, Subdivision 8, is amended to read:

Subd. 8. [COMMISSIONER.] "Commissioner" means the commissioner of (PERSONNEL) *employee relations.*

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 43.05, Subdivision 2, is amended to read:

Subd. 2. [SPECIFIED DUTIES.] The commissioner shall:

(1) Attend all meetings of the board;

(2) Promulgate (PERSONNEL) rules for the purpose of carrying out the provisions of this chapter; these rules shall provide, among other things, for current records of efficiency, and standards of performance, for all employees subject to the provisions of this chapter; the manner of completing appointments and promotions; rejection of eligible candidates; examinations; retention of examination records under the provisions of section 138.163; creation of eligible lists, with successful candidates ranked according to their ratings in the examinations; (LEAVES OF ABSENCE WITH AND WITHOUT PAY;) transfers (,) and reinstatements (, LAYOFFS, VACATIONS, AND HOURS OF WORK); public notice of examinations; (PROCEDURE FOR CHANGES IN RATES OF PAY;) compulsory retirement at fixed ages; and other conditions of employment (, IF A RULE IS MADE CONCERNING SICK LEAVE FOR ILLNESS IN THE IMMEDIATE FAMILY OF AN EMPLOYEE, THE TERM "IMMEDIATE FAMILY" SHALL BE LIMITED

TO THE SPOUSE, MINOR OR DEPENDENT CHILDREN, OR PARENT WHERE THE PARENT HAS NO OTHER PERSON TO PROVIDE THE NECESSARY NURSING CARE, LIVING IN THE HOUSEHOLD OF THE EMPLOYEE);

(3) Operate an information system from which data can be retrieved concerning employees in agencies under his jurisdiction showing their employment histories including the date of appointment, demotion, reinstatement, increases or decreases in pay, the compensation and title of the position, changes in title, transfers, and separations from the service; and the commissioner shall have access to all public and private personnel data kept by an appointing authority, the examination of which will aid in the discharge of his duties;

(4) Prepare, in accordance with the provisions of this chapter and the rules adopted hereunder, examinations, eligible lists, and ratings of candidates for appointment;

(5) Make certifications for appointment within the classified service, in accordance with the provisions of this chapter;

(6) Make investigations concerning all matters touching the enforcement and effect of the provisions of this chapter and the personnel rules prescribed hereunder;

(7) Discharge such duties as are imposed upon him by this chapter;

(8) Establish, publish and continually review logical career paths in the classified civil service;

(9) Consider all requests for other than state appropriated funds from any state department or agency for personnel purposes all of which shall be submitted to him for comment before any such request is made of a federal, local, or private agency; and

(10) Prepare rules regulating the temporary designation of positions in the unclassified civil service;

(11) Review, establish or change titles for the positions in the unclassified civil service in the executive branch of state government except those established by law or by the constitution, to make titles descriptive of positions and consistent throughout the state service; and

(12) In conformance with the rule making provisions of chapter 15, promulgate a code of ethics establishing standards of conduct to be observed by state employees in the performance of their official duties.

Sec. 6. Minnesota Statutes 1978, Section 43.05, is amended by adding a subdivision to read:

Subd. 3. The commissioner, through the division of labor relations, shall:

(a) Represent the state at hearings conducted by the director of the bureau of mediation services and the public employment relations board relating to state employees;

(b) Represent the state in all collective bargaining between the state and exclusive representatives, and represent the state in mediation and arbitration of collective bargaining disputes;

(c) Report to the legislative commission on employee relations pursuant to section 3.855;

(d) Be responsible for state management interpretation of all collective bargaining agreements between the state and exclusive representatives and provide state management personnel with training in the interpretation and application of these collective bargaining agreements;

(e) Oversee the administration of all written grievances arising under collective bargaining agreements between the state and an exclusive representative. The commissioner shall establish procedures which appointing authorities shall follow to enable the commissioner to monitor the grievance procedure at all steps;

(f) Have final authority to decide if a grievance shall be submitted to arbitration or if it shall be settled without arbitration;

(g) Represent the state at all grievance arbitrations;

(h) Collect and analyze all information necessary to carry out the responsibilities of this subdivision.

Sec. 7. Minnesota Statutes, 1979 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.) The base salary of the commissioner of labor and industry is the upper limit of compensation of employees in the bureau of mediation services. (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. 8. Minnesota Statutes 1978, Section 43.111, is amended to read:

43.111 [POLICY.] It is the public policy of the state of Minnesota that an efficient and well trained work force be maintained to carry out the work ordained by the legislature. It is further directed that modern methods of selection, training and salary administration be established and maintained. The standards of selection shall be (OF SUCH A NATURE AS TO) *based on merit and provide for the proper level of preparation and experience.* Recognizing the cost of excessive employee turnover, it is directed that priority be given to the maintenance of a steady work force. To this end, training, by way of in-service programs and stipend allowances shall be encouraged. It is also established as the policy of the state of Minnesota that employees be paid a total compensation which is competitive with that paid for like positions in other private and public employment. Proper attention (WILL ALSO) *shall be given to equitable internal (PAY) compensation relationships between related job classes and among the various levels within the same job family or department, with the understanding that the collective bargaining relationship between the state and its employees established through the provisions of chapter 179 must take precedence.* Continuing analysis of pay rates (AND), supplementary pay practices (SHALL BE CARRIED ON, AS WELL AS) *and analyses of jobs to determine comparability of job content shall be carried on.*

Sec. 9. Minnesota Statutes 1978, Chapter 43, is amended by adding a section to read:

[43.112] [COMPENSATION, TERMS, AND CONDITIONS OF EMPLOYMENT.] *Subdivision 1. [REPRESENTED EMPLOYEES.] To the extent they are lawfully covered by a collective bargaining agreement, the compensation, terms and conditions of employment for all state employees represented by an exclusive representative certified pursuant to chapter 179 shall be governed by the collective bargaining agreement executed by the parties and approved by the legislature.*

Subd. 2. [NON-REPRESENTED EMPLOYEES.] The compensation, terms and conditions of employment of all state employees not represented by an exclusive representative certified pursuant to chapter 179 shall be solely governed by statute, rule and the plan developed by the commissioner and approved by the legislature pursuant to sections 3.855 and 179.74, subdivision 5, and section 10.

Subd. 3. [MERIT SYSTEM TO CONTROL.] The provisions of chapter 43 governing the recruitment, classification and selection of state employees on the basis of their relative ability, knowledge and skills, including sections 43.111, 43.12, subdivision 1, 43.13 to 43.15, 43.17, 43.18, subdivisions 1 to 3, 43.19, subdivisions 2 and 3, 43.20, and 43.30, shall not be modified, waived or abridged by any contract executed by the state pursuant to chapter 179.

Sec. 10. Minnesota Statutes 1978, Chapter 43, is amended by adding a section to read:

[43.113] [PLAN FOR COMPENSATION, TERMS AND CONDITIONS OF EMPLOYMENT FOR NON-REPRESENTED EMPLOYEES.] *Subdivision 1. The commissioner of employee relations shall periodically submit to the legislative commission on employee relations a plan to govern the compensation, terms and conditions of employment for all state employees who are not represented by an exclusive representative certified pursuant to chapter 179 and whose compensation is not provided for by section 43.064 or other law. The commission shall review the plan and submit it to the legislature along with any recommendations it deems appropriate. The plan need not be adopted in accordance with the rulemaking provisions of chapter 15. The plan shall not take effect until approved by the legislature, provided that the legislative commission may give interim approval to a plan and subsequently submit it to the entire legislature for ratification in the same manner as provided for negotiated agreements and arbitration awards under section 179.74, subdivision 5.*

Subd. 2. In establishing and recommending compensation for any position within the plan, the commissioner of employee relations shall assure that:

(1) *Compensation in the classified and unclassified service bear equitable relationships to one another;*

(2) *Compensation for state positions bears equitable relationships to compensation for similar positions outside state service; and*

(3) *Compensation for management positions bears equitable relationships to compensation of represented employees managed.*

(4) *Compensation for positions within the classified service bear equitable relationships among related job classes and among various levels within the same job family.*

Compensations bear equitable relationships to one another within the meaning of this subdivision if compensation for positions which require comparable knowledge, abilities, duties,

responsibilities and accountabilities are comparable and if compensation for positions which require differing knowledge, abilities, duties, responsibilities and accountabilities are proportional to the knowledge, abilities, duties and responsibilities required.

Sec. 11. Minnesota Statutes 1978, Section 43.18, Subdivision 4, is amended to read:

Subd. 4. [APPOINTMENT; PROBATION.] The appointing 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) *may* 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 employment situation is among those listed in section 43.20, for which competitive examinations are not required.

Sec. 12. Minnesota Statutes, 1979 Supplement, 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 executive branch of the state civil service, or the legislative branch of state civil service, and classified positions on the staff of the legislative auditor, Minnesota state retirement system and teachers retirement association and, subject to (SUCH) *those* exceptions as the commissioner may provide, from the lower class 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 and job-related conduct shall constitute a factor. For positions defined by (PERSONNEL) rule as "non-managerial" seniority (SHALL) *may* also constitute a factor.

(2) The commissioner may authorize the appointing authority of any state agency to promote any employee in that agency to a higher class provided his position has been reallocated as the result of gradual changes in the job which have occurred over a period of time and his had performed satisfactorily in the position.

(3) *On or before January 1, 1981, the commissioner shall submit a report to the legislative commission on employee relations recommending methods of improving the state's efforts to insure equal employment opportunity pursuant to section 43.15. The report shall include recommendations with respect to both hiring and promotions along with an analysis of the effects of seniority requirements on promotional practices.*

Sec. 13. Minnesota Statutes 1978, Section 43.245, is amended to read:

43.245 [PERFORMANCE APPRAISAL SYSTEM.] The commissioner shall design and implement an employee performance appraisal system for the classified and unclassified (SERVICE) services. This system shall be based on uniform position description and results oriented performance standards formats. The commissioner, in consultation with the departments, shall develop criteria and content as necessary so long as the system is uniform for all departments. The commissioner shall establish and enforce rules with respect to the utilization of the results of this performance appraisal system in all decisions relating to the status of employees. (THE COMMISSIONER MAY FURTHER BY RULE PRESCRIBE THE EXTENT TO WHICH THESE REPORTS SHALL BE OPEN TO INSPECTION BY THE PUBLIC AND BY THE AFFECTED EMPLOYEE.) Each employee in the classified and unclassified service in the executive branch shall be evaluated and counseled at least once a year on his work performance. Individual pay increases for all state employees not represented by an exclusive representative certified pursuant to chapter 179 shall be based on (SUCH) the evaluation and other factors the commissioner includes, and the legislature approves, in the plan developed pursuant to section 10. Collective bargaining agreements entered into pursuant to chapter 179 may, and are encouraged to, provide for pay increases based on employee performance.

Sec. 14. Minnesota Statutes 1978, Section 43.321, is amended to read:

43.321 [GRIEVANCE PROCEDURE.] The commissioner shall promulgate by (PERSONNEL) rule procedures relating to grievances of any state officer or employee in the executive branch and provide the circumstances under which the grievance procedure is available, except that no state employee may avail himself of more than one grievance procedure on any one complaint or use the procedure set forth in the rule if he is a member of a bargaining unit that has a collective bargaining agreement entered into pursuant to chapter 179 which provides for methods and procedures to resolve that type of grievance.

Sec. 15. Minnesota Statutes 1978, Section 43.45, is amended to read:

43.45 [CONTRACTING AUTHORITY.] Subdivision 1. The commissioner is authorized to request bids from carriers or to negotiate with carriers and to enter into contracts with carriers which in the sole judgment of the commissioner are best qualified to underwrite and service the benefit plans. The commissioner shall consider (SUCH) factors such as the cost and conversion options relating to the contracts as well as the service capabilities, character, financial position, and reputation (WITH RESPECT TO SUCH) of the carriers and any other

factors which the commissioner (MAY DEEM) deems appropriate. Each (SUCH) benefit contract shall be for a uniform term of at least one year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. *Effective October 1, 1980, the commissioner shall, to the extent feasible, make basic hospital and medical benefits available from at least three carriers at least one each of whom shall be licensed to do business pursuant to chapters 62A, 62C and 62D. The commissioner need not provide health maintenance service to an employee who resides in an area which is not served by a licensed carrier. The commissioner may elect not to offer all three types of carriers if there are no bids or no acceptable bids by that type of carrier or if the offering of additional carriers would result in excessive additional administrative costs. Any carrier licensed pursuant to chapter 62A shall be exempt from the tax imposed by section 60A.15 on premiums paid to it by the state.*

Subd. 2. Each contract under sections 43.42 to 43.49 shall contain a detailed statement of benefits offered and shall include (SUCH) any maximums, limitations, exclusions, and other definitions of benefits as the commissioner may deem necessary or desirable. *Each contract shall provide benefits at least equal to those required by section 62E.06, subdivision 2.*

Subd. 3. The commissioner shall make available, through (SUCH) any carriers as (IT) the commissioner may authorize, as many optional coverages as (IT DEEMS) deemed feasible and advantageous to eligible state employees and their dependents which (SAID) the employees may pay for at their own expense (TO BE PAID FOR) through payroll deductions.

Subd. 4. *The commissioner shall appoint and serve as chairman of an insurance advisory council consisting of eleven members. Two members shall be selected from names submitted by exclusive representatives of state employees. One member shall be selected from names submitted by exclusive representatives of employees of the university of Minnesota. One member shall be selected from names submitted by organizations representing retired state employees. One member shall be selected from names submitted by the regents of the university of Minnesota. The commissioners of administration, insurance, health and finance, and the deputy commissioner for labor relations or their designees, shall serve as the other members. Except as provided in this section, the provisions of section 15.059 shall apply to the members of the council. The council shall advise the commissioner in the selection of carriers and the implementation of collective bargaining agreements. Evidence of discussions, recommendations or decisions by the council shall not be submitted to any court or arbitrator in any matter involving state or university of Minnesota employees.*

Sec. 16. Minnesota Statutes 1978, Section 43.46, is amended to read:

43.46 [CONTRIBUTIONS BY STATE.] *Subdivision 1.* The total contribution by the state for each state employee (UNDER SECTIONS 43.42 TO 43.49) and for dependents of state employees shall be (OTHERWISE) prescribed by law (AND WHICH), rule, a plan prepared pursuant to section 10, or a collective bargaining agreement. The contribution shall be applied to provide basic hospital benefits, basic medical benefits, basic dental benefits (, AN ANNUAL HEALTH EVALUATION AND SCREENING PROGRAM) and basic life insurance (OF SUCH) in amounts as may be determined from time to time by the commissioner or in a collective bargaining agreement.

Subd. 2. [EMPLOYEE COVERAGE.] The amount of premium paid by the state for represented employees for state employees' basic hospital benefits, basic medical benefits and basic dental benefits coverage shall be negotiated between the state and exclusive representatives of state employees. Except as provided in this subdivision, the amount paid for each state employee's coverage shall be uniform for all employees in the same bargaining unit. Employees who select a carrier whose premium is in excess of the state payment shall be required to pay the difference. Employees who select a carrier whose premium is less than the state payment shall be given the option of using the difference to obtain benefits in addition to the standard negotiated packages or being paid the difference as additional compensation.

Subd. 3. [DEPENDENT COVERAGE.] The amount of premium paid by the state for state employees' dependents' basic hospital benefits, basic medical benefits and basic dental benefits coverage shall be negotiated between the state and exclusive representatives of state employees. Except as provided in this subdivision, the amount paid for each state employee's dependent coverage shall be uniform for all employees in the same bargaining unit. Employees who select a carrier whose premium is in excess of the state payment shall be required to pay the difference. Employees who select a carrier whose premium is less than the state payment shall be given the option of using the difference to obtain benefits in addition to the standard negotiated packages or being paid the difference as additional compensation.

Subd. 4. [UNREPRESENTED EMPLOYEES.] The commissioner shall establish the level of state payment of premiums paid by the state for all state employees who do not have an exclusive representative and for their dependents. The levels of payment shall be included in the plan prepared pursuant to section 10. Payments shall be made in the manner provided for in subdivisions 2 and 3.

Sec. 17. Minnesota Statutes, 1979 Supplement, Section 43.50, Subdivision 1, is amended to read:

43.50 [PAYMENT OF PREMIUMS.] Subdivision 1. Each department of the state government shall pay the amounts due for basic life insurance, basic dental insurance, (AND) basic (HEALTH) *hospital benefits and basic medical* benefits coverage authorized for eligible state employees (AS PROVIDED BY) *pursuant to this chapter.* (EFFECTIVE JULY 1, 1979, EACH DEPARTMENT OF THE STATE GOVERNMENT SHALL CONTRIBUTE UP TO \$64 PER YEAR TOWARD THE COST OF THE APPROVED ANNUAL HEALTH EVALUATION AND SCREENING PROGRAM FOR EACH ELIGIBLE EMPLOYEE WHO ELECTS TO PARTICIPATE AND WHO ELECTS HEALTH INSURANCE COVERAGE UNDER BLUE CROSS AND BLUE SHIELD OF MINNESOTA. ELIGIBLE EMPLOYEES WHO ELECT COVERAGE UNDER A HEALTH MAINTENANCE ORGANIZATION SHALL ONLY BE ELIGIBLE TO RECEIVE THIS BENEFIT IF THE HEALTH MAINTENANCE ORGANIZATION IN WHICH THE EMPLOYEE IS ENROLLED DOES NOT MAKE AVAILABLE WITHOUT ADDITIONAL COST, ON AN ANNUAL BASIS, THE TESTS PERFORMED FOR STATE EMPLOYEES BY THE APPROVED PROGRAM.)

(ADDITIONALLY, AND NOTWITHSTANDING ANY LAW TO THE CONTRARY, EFFECTIVE THE FIRST DAY OF THE FIRST PAYROLL PERIOD COMMENCING ON OR AFTER JULY 1, 1979, EACH DEPARTMENT OF THE STATE GOVERNMENT SHALL CONTRIBUTE UP TO \$60 PER MONTH OR 90 PERCENT OF THE COST, WHICHEVER IS GREATER, TOWARD THE COST OF DEPENDENT HOSPITAL MEDICAL INSURANCE COVERAGE PREMIUMS FOR THEIR ELIGIBLE EMPLOYEES WHO HAVE ELIGIBLE DEPENDENTS. EACH DEPARTMENT SHALL ALSO CONTRIBUTE ONE-HALF THE DIFFERENCE BETWEEN SINGLE AND FAMILY DENTAL COVERAGE PER MONTH FOR ALL ELIGIBLE EMPLOYEES CARRYING DEPENDENT DENTAL INSURANCE COVERAGE. TO ENABLE EMPLOYEES TO RECEIVE BENEFIT FROM THIS PROVISION, OPEN ENROLLMENT PERIODS FROM AUGUST 15 THROUGH SEPTEMBER 30, 1979 AND FROM AUGUST 15 THROUGH SEPTEMBER 30, 1980, ARE ESTABLISHED. DURING OPEN ENROLLEMENT PERIODS EMPLOYEES MAY ENROLL THEIR DEPENDENTS IN DENTAL COVERAGE AND HOSPITAL MEDICAL COVERAGE WITHOUT PROOF OF INSURABILITY. EFFECTIVE JANUARY 1, 1981.) The (CHANGED) benefits provided in this section shall apply to eligible members of the legislature and their eligible dependents *when they become eligible for the benefits.* Each of the departments shall pay (SUCH) *the* amounts from accounts and funds from which the department receives its revenues, including appropriations from the general fund and from any other fund now or hereafter existing for the payment of salaries and in the same proportion as it pays therefrom the amounts of salaries. In order to enable the commissioner of finance to maintain proper records covering the appropriations

pursuant to this section, he may require certifications in connection therewith as he may deem necessary from any state agency, the Minnesota historical society, or the University of Minnesota whose employees receive benefits pursuant to this chapter. The accounts and funds referred to from which departments receive appropriations under the terms of this section are hereby declared to be a source of revenue for the purposes of any other law or statutory enactment.

Sec. 18. Minnesota Statutes, 1979 Supplement, Section 62D.-22, Subdivision 7, is amended to read:

Subd. 7. A licensed health maintenance organization shall be deemed to be a prepaid group practice plan for the purposes of chapter 43 and shall be allowed to participate as a carrier for state employees subject to any (NEGOTIATED LABOR AGREEMENT) *collective bargaining agreement entered into pursuant to chapter 179* and reasonable restrictions applied to all carriers. *The commissioner of employee relations may refuse to allow a health maintenance organization to continue as a carrier if it was selected by less than 200 employees in the preceding benefit year.*

Sec. 19. Minnesota Statutes 1978, Section 179.63, Subdivision 7, is amended to read:

Subd. 7. "Public employee" or "employee" means any person appointed or employed by a public employer except:

- (a) elected public officials;
- (b) election officers;
- (c) commissioned or enlisted personnel of the Minnesota national guard;
- (d) emergency employees who are employed for emergency work caused by natural disaster;
- (e) part time employees whose service does not exceed the lesser of 14 hours per week or 35 percent of the normal work week in the employee's bargaining unit;
- (f) employees who hold positions of a basically temporary or seasonal character for a period not in excess of 100 working days in any calendar year;

The exclusions of clauses (e) and (f) of this subdivision shall not apply to:

- (1) *an employee hired by a school district to replace an absent teacher who at the time of his absence is a "public*

employee" not within the other exclusions of this subdivision where the replacement employee is employed more than 30 working days as a replacement for that teacher; and

(2) an employee hired by a school district for a teaching position created by increased enrollment, curriculum expansion, courses which are a part of the curriculum whether offered annually or not, or other appropriate reasons.

Employees included as "public employees" pursuant to clauses (1) and (2) shall not be included under master contracts expiring June 30, 1981, for purposes of salary or fringe benefits;

(g) employees of charitable hospitals as defined by section 179.35, subdivision 3;

(h) full time undergraduate students employed by the school which they attend under a work study program or in connection with the receipt of any financial aid, irrespective of number of hours of service per week.

Sec. 20. Minnesota Statutes 1978, Section 179.63, Subdivision 8, is amended to read:

Subd. 8. "Confidential employee" means any employee who works in the personnel offices of a public employer or who has access to information subject to use by the public employer in meeting and negotiating or who actively participates in the meeting and negotiating on behalf of the public employer. *Provided that when the reference is to executive branch employees of the state of Minnesota or employees of the regents of the University of Minnesota, "confidential employee" means any employee who has access to information subject to use by the public employer in collective bargaining or who actively participates in collective bargaining on behalf of the public employer.*

Sec. 21. Minnesota Statutes, 1979 Supplement, Section 179.63, Subdivision 11, is amended to read:

Subd. 11. "Essential employee" means firefighters, (POLICE) peace officers subject to licensure pursuant to sections 626.84 to 626.855, (HIGHWAY PATROLMEN,) guards at correctional (INSTITUTIONS) facilities, and employees of hospitals other than state hospitals (AND REGISTERED NURSES, AS DEFINED IN SECTION 148.171, ENGAGED IN THE PRACTICE OF PROFESSIONAL NURSING AND EMPLOYED IN A STATE HOSPITAL OR STATE NURSING HOME); *provided that (1) with respect to state employees, "essential employee" means all employees in the law enforcement, health care professional, correctional guards, and supervisory collective bargaining units, irrespective of severance, and no other employees, and (2) with re-*

spect to university of Minnesota employees, "essential employee" means all employees in the law enforcement, nursing professional and supervisory units, irrespective of severance, and no other employees. The term "firefighters" means salaried employees of a fire department whose duties include, directly or indirectly, controlling, extinguishing, preventing, detecting, or investigating fires.

Sec. 22. Minnesota Statutes 1978, Section 179.64, is amended by adding a subdivision to read:

Subd. 1a. [STRIKES AUTHORIZED.] Except as otherwise provided by sections 31 and 32, public employees, other than confidential, essential, managerial and supervisory employees and other than principals and assistant principals, may strike only under the following circumstances:

(1)(a) The collective bargaining agreement between their exclusive representative and their employer has expired; and

(b) The exclusive representative and the employer have participated in mediation over a period of at least 30 days, provided that, in the case of teachers, they shall have participated in mediation over a period of at least 30 days following the expiration date of the collective bargaining agreement. For the purposes of this sub-clause the mediation period commences on the day following receipt by the director of a request for mediation; and

(c) Written notification of intent to strike was served on the employer and the director by the exclusive representative on or after the expiration date of the collective bargaining agreement and at least ten days prior to the commencement of the strike, provided that if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification; or

(2) The requirements of clause 1 have been satisfied and a request for binding arbitration has been rejected pursuant to section 179.69; or

(3) The employer violates section 179.68, subdivision 2, clause (9); or

(4) In the case of state employees,

(a) The legislative commission on employee relations has not given interim approval to a negotiated agreement or arbitration award pursuant to section 179.74, subdivision 5, within 30 days after its receipt; or

(b) *The entire legislature rejects or fails to ratify a negotiated agreement or arbitration award, which has been approved by the legislative commission on employee relations, at a special legislative session called to consider it, or at its next regular legislative session, whichever occurs first.*

Written notification of intent to strike, under clauses (3) or (4), shall be served on the employer and the director by the exclusive representative at least ten days prior to the commencement of the strike, provided that if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification.

Except as authorized in this subdivision, all strikes by public employees shall be illegal. Except as provided in this subdivision, no unfair labor practice or violation of sections 179.61 to 179.76 by a public employer shall give public employees a right to strike. Those factors may be considered, however, by the court in mitigation of or retraction of any penalties provided by this section.

During the period after contract expiration and prior to the date when the right to strike matures, and for additional time if agreed, the terms of an existing contract shall continue in effect and shall be enforceable upon both parties.

Sec. 23. Minnesota Statutes 1978, Section 179.64, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding any other provision of law, any public employee who (VIOLATES) *strikes in violation of the provisions of this section may have his appointment or employment terminated by the employer effective the date the violation first occurs. (SUCH) The termination shall be (EFFECTIVE UPON) made by serving written notice (SERVED) upon the employee. Service may be made by certified mail.*

Sec. 24. Minnesota Statutes 1978, Section 179.64, Subdivision 3, is amended to read:

Subd. 3. For purposes of this subdivision an employee who is absent from any portion of his work assignment without permission, or who abstains wholly or in part from the full performance of his duties without permission from his employer on the date or dates when a strike *not authorized by this section* occurs is prima facie presumed to have engaged in (A) *an illegal strike on (SUCH) the date or dates involved.*

Sec. 25. Minnesota Statutes 1978, Section 179.64, Subdivision 4, is amended to read:

Subd. 4. A public employee who knowingly (VIOLATES) *participates in a strike in violation of* the provisions of this section and whose employment has been terminated pursuant to this section (,) may (, SUBSEQUENT TO SUCH VIOLATION,) *subsequently* be appointed or reappointed, employed or reemployed, but the employee shall be on probation for two years with respect to (SUCH) *the* civil service status, tenure of employment, or contract of employment (, AS) *to which* he (MAY HAVE THERETOFORE BEEN) *was previously* entitled.

No employee shall be entitled to any daily pay, wages, *reimbursement of expenses*, or per diem for the days on which he engaged in a strike.

Sec. 26. Minnesota Statutes 1978, Section 179.64, Subdivision 5, is amended to read:

Subd. 5. Any public employee (, UPON REQUEST,) shall be entitled (, AS HEREINAFTER PROVIDED,) *to request the opportunity* to establish that he did not violate the provisions of this section. (SUCH) *The request* (MUST) shall be filed in writing with the officer or body having the power to remove (SUCH) *the* employee, within ten days after notice of termination is served upon him (; WHEREUPON SUCH). *The employing* officer (,) or body (,) shall within ten days commence a proceeding at which (SUCH PERSON) *the employee* shall be entitled to be heard for the purpose of determining whether the provisions of this section have been violated by (SUCH) *the* public employer (, AND). If there (BE) *are contractual grievance procedures, laws* (AND REGULATIONS) *or rules* establishing proceedings to remove (SUCH) *the* public employee, the hearing shall be conducted in accordance (THEREWITH) *with whichever procedure the employee elects provided that the election shall be binding and shall terminate any right to the alternative procedures.* The same (PROCEEDINGS) *proceeding* may (UPON APPLICATION TO THE COURT BY AN EMPLOYER, AN EMPLOYEE, OR EMPLOYEE ORGANIZATION AND THE ISSUANCE OF AN APPROPRIATE ORDER BY THE COURT) include more than one employee's employment status if the employees' defenses are identical, analogous or reasonably similar. (SUCH) *The* proceedings shall be undertaken without unnecessary delay. Any person *whose termination is sustained in the administrative or grievance proceeding* may secure a review of his removal by serving a notice (SO REQUESTING) *of appeal* upon the employer removing him within 20 days after the results of the hearing (REFERRED TO HEREIN) have been announced. This notice, with proof of service thereof, shall be filed within ten days after service, with the clerk of the district court in the county where the employer has its principal office or in the county where the employee last was employed by the employer. The district court shall (THEREUPON) have jurisdiction to review the matter

in the same manner as on appeal from administrative orders and decisions. This hearing shall take precedence over all matters before the court and may be held upon ten days written notice by either party. The court shall make such order (IN THE PREMISES) as (IS) it deems proper (; AND). An employer may obtain review of a decision to reinstate an employee in the same manner as provided for appeals by employees in this subdivision. An appeal may be taken (THEREFROM) from the district court order to the supreme court.

Sec. 27. Minnesota Statutes, 1979 Supplement, Section 179.65, Subdivision 6, is amended to read:

Subd. 6. *Except for confidential employees excluded from bargaining pursuant to section 179.74, subdivision 4, and section 38, supervisory and confidential employees, principals and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with all other provisions of sections 179.61 to 179.76, as though they were essential employees. (UNITS OF) Supervisory or confidential (EMPLOYEES) employee organizations shall not participate in any capacity in any (JOINT) negotiations which involve (THE PARTICIPATION OF) units of employees other than supervisory or confidential employees. (AFFILIATION OF A SUPERVISORY OR CONFIDENTIAL EMPLOYEE WITH ANOTHER EMPLOYEE ORGANIZATION WHICH HAS AS ITS MEMBERS NON-SUPERVISORY EMPLOYEES OR NON-CONFIDENTIAL EMPLOYEES IS PERMITTED.) A supervisory or confidential employee organization which is affiliated, either directly or indirectly, with another employee organization which is the exclusive representative of non-supervisory or non-confidential employees of the same public employer or with a federation or other joint body of employee organizations, any one of whose affiliates is the exclusive representative of non-supervisory or non-confidential employees of the same public employer shall not be certified as, or act as, an exclusive representative pursuant to sections 179.61 to 179.76 or section 40, except in the case of organizations of non-state, non-university of Minnesota essential supervisory employees as defined in section 179.63, subdivision 11.*

Sec. 28. Minnesota Statutes 1978, Section 179.67, Subdivision 4, is amended to read:

Subd. 4. Any employee organization may obtain a certification election upon petition to the director wherein it is stated that at least 30 percent of the employees of a proposed employee unit wish to be represented by the petitioner (OR THAT THE CERTIFIED REPRESENTATIVE NO LONGER REPRESENTS THE MAJORITY OF EMPLOYEES IN THE UNIT). Any employee organization may obtain a representation election

upon petition to the director wherein it is stated that the currently certified representative no longer represents the majority of employees in an established unit and that at least 30 percent of the employees in the established unit wish to be represented by the petitioner rather than by the currently certified representative. An individual employee or group of employees in a unit may obtain a decertification election upon petition to the director wherein it is stated that the certified representative no longer represents the majority of the employees in an established unit and that at least 30 percent of the employees wish to be unrepresented.

Sec. 29. Minnesota Statutes 1978, Section 179.69, Subdivision 1, is amended to read:

179.69 [PROCEDURES.] Subdivision 1. [MEDIATION PETITION.] When any employees or representative of employees shall desire to meet and negotiate an agreement establishing terms and conditions of employment, they shall give written notice to the employer and the director, and it shall thereupon be the duty of the employer to recognize the employee representative for purposes of reaching agreement on terms and conditions of employment of the employees or the employer shall within ten days of receipt of the written notice object or refuse to recognize the employees' representative or the employees as an appropriate unit. The employer or employees' representative may thereupon petition the director to take jurisdiction of the matter whereupon the director shall then be authorized and shall perform those duties as provided in section 179.71, subdivision 2(a) and (b).

Upon the certified exclusive representative and the employer reaching agreement on terms and conditions of employment or receiving a valid arbitration award, they shall execute a written contract or memorandum of contract containing the terms of (SUCH) *the negotiated agreement or arbitration award*. The contracts or memoranda shall in every instance be subject to the provisions of section 179.70.

A petition by an employer shall be signed by him or his duly authorized officer or agent; and a petition by an exclusive representative shall be signed by its authorized officer. In either case the petition shall be served by delivering it to the director in person or by sending it by certified mail addressed to him at his office. The petition shall state briefly the nature of the disagreement of the parties. Upon receipt of a petition, the director (, OR BY SEPTEMBER 1, WHICHEVER DATE IS EARLIER) shall fix a time and place for a conference with the parties to *negotiate* the (MATTER UPON THE) issues (INVOLVED) *not agreed upon* in the matter, and he shall then take whatever steps he deems most expedient to bring about a settlement of the matter, including assisting in negotiating and drafting an agreement. It shall be the duty of all parties to

respond to the summons of the director for joint or several conferences with him and to continue in such conference until excused by the director. *However, for other than essential employees, mediation conferences following the expiration date of a collective bargaining agreement, or in the case of teachers following mediation over a period of 30 days after the expiration date of a collective bargaining agreement, shall continue only for durations agreeable to both parties.*

Sec. 30. Minnesota Statutes 1978, Section 179.69, Subdivision 3, is amended to read:

Subd. 3. [BINDING ARBITRATION PETITIONS FOR NON-ESSENTIAL EMPLOYEES.] *For all public employees except those specified in subdivision 3a, the director shall only certify a matter to the board for binding arbitration pursuant to section 179.72 if:*

(a) *the director has determined that further mediation efforts under subdivision 1 would serve no purpose and has certified an impasse, or, the collective bargaining agreement has expired, and,*

(b) *within 15 days of a request by one party for binding arbitration the other party has accepted the request. A request for arbitration is deemed rejected if the other party has not responded within 15 days of the request.*

Subd. 3a. [BINDING ARBITRATION PETITIONS FOR ESSENTIAL EMPLOYEES.] *For all public employees defined as essential pursuant to section 179.73, subdivision 11, or treated as though they were essential pursuant to section 179.65, subdivision 6, the director shall only certify a matter to the board for binding arbitration pursuant to section 179.72 when either or both parties (, EXCEPT FOR ESSENTIAL EMPLOYEES,) petition for binding arbitration stating that an impasse has been reached and the director has determined that further mediation efforts under subdivision 1 would serve no purpose. (UPON SUCH PETITION AND DETERMINATION BY THE MEDIATOR, THE PARTIES SHALL EACH SUBMIT THEIR RESPECTIVE FINAL POSITIONS ON MATTERS NOT AGREED UPON. IF THE EMPLOYER HAS PETITIONED FOR BINDING ARBITRATION AND THE DIRECTOR HAS DETERMINED THAT AN IMPASSE HAS BEEN REACHED SAID PROCEEDINGS SHALL BEGIN WITHIN 15 DAYS THEREOF AND BE BINDING ON BOTH PARTIES. THE DIRECTOR SHALL DETERMINE THE MATTERS NOT AGREED UPON BASED UPON HIS EFFORTS TO MEDIATE THE DISPUTE. IF THE EMPLOYEE REPRESENTATIVE HAS PETITIONED FOR BINDING ARBITRATION THE EMPLOYER SHALL HAVE 15 DAYS AFTER THE DIRECTOR OF MEDIATION HAS DETERMINED THAT AN IMPASSE HAS BEEN REACHED TO REJECT THE RE-*

QUEST OR AGREE TO SUBMIT MATTERS NOT AGREED UPON TO BINDING ARBITRATION. IF THE EMPLOYER DOES NOT RESPOND WITHIN 15 DAYS IT SHALL BE REGARDED AS A REJECTION AND SAID REJECTION SHALL BE A REFUSAL BY THE EMPLOYER WITHIN THE MEANING OF SECTION 179.64, SUBDIVISION 7. UNDER A PETITION BY EITHER PARTY THE PARTIES MAY STIPULATE THOSE AGREED UPON ITEMS TO BE EXCLUDED FROM ARBITRATION.)

Subd. 3b. [PROCEDURE.] When the director has certified a matter to the board for binding arbitration pursuant to subdivision 3 or 3a, within 15 days the parties shall each submit their respective final positions on matters not agreed upon. Under a petition by either party the parties may stipulate those agreed upon items to be excluded from arbitration.

Sec. 31. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.691] [NEW EXCLUSIVE REPRESENTATIVE: TEACHERS.] *If a new or different exclusive representative is certified by the director at any time other than the period between 120 days before the termination date of a contract and the termination date of the contract, or if on July 1 of any odd-numbered year a representation proceeding involving the employer and the employer's teachers is before the director, the provisions of subclauses (a) and (b) of clause (1) of section 22 shall not apply. In those cases, the employer and the exclusive representative of the teacher shall execute a written contract or memorandum of contract as provided in section 179.70 no later than 45 days after a certification by the director of a new or different exclusive representative or the resolution by the director of a representation proceeding. Either party may petition the director of mediation services for assistance in reaching an agreement, as provided in section 179.69, subdivision 1. If the employer and the exclusive representative fail to execute a contract by 45 days after the certification of a new or different exclusive representative or the resolution by the director of a representation proceeding, they shall be conclusively presumed to be at an impasse after having participated in mediation sessions called pursuant to section 179.69 over a period of no less than 30 days.*

Sec. 32. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.692] [NEW EXCLUSIVE REPRESENTATIVE: NON-TEACHERS.] *If a new or different exclusive representative is certified by the director, or if on the expiration date of an existing contract a representation proceeding is before the director, the provisions of section 179.64, subdivision 1a, clause (1) (a), shall not apply. In those cases, the employer and the exclusive representative of the employees shall execute a written con-*

tract or memorandum of contract as provided in section 179.70 no later than 45 days after a certification by the director of a new or different exclusive representative or the resolution by the director of a representation proceeding. Either party may petition the director of mediation services for assistance in reaching an agreement, as provided in section 179.69, subdivision 1. If the employer and the exclusive representative fail to execute a contract by 45 days after the certification of a new or different exclusive representative or the resolution by the director of a representation proceeding, they shall be conclusively presumed to be at an impasse after having participated for a period of no less than 30 days in mediation sessions called pursuant to section 179.69.

Sec. 33. Minnesota Statutes 1978, Section 179.71, Subdivision 3, is amended to read:

Subd. 3. The director shall determine appropriate units, *except where appropriate units are defined by section 38*. In determining the appropriate unit he shall take into consideration, along with other relevant factors, the principles and the coverage of uniform comprehensive position classification and compensation plans of the employees, involvement of professions and skilled crafts and other occupational classifications, relevant administrative and supervisory levels of authority, geographical location, and the recommendation of the parties, and shall place particular importance upon the history and extent of organization and the desires of the petitioning employee representatives.

In addition, with regard to the inclusion or exclusion of supervisory employees, the director must find that an employee may perform or effectively recommend a majority of those functions referred to in section 179.63, subdivisions 9 or 9a, before an employee may be excluded as supervisory. However, in every case the administrative head, and his assistant, of a municipality, municipal utility, police or fire department shall be considered a supervisory employee.

He shall not designate an appropriate unit which includes employees subject to section 179.63, subdivision 11, with employees not included in section 179.63, subdivision 11.

Sec. 34. Minnesota Statutes 1978, Section 179.71, Subdivision 5, is amended to read:

Subd. 5. In addition to all other duties imposed by 179.77;

(a) (RETAIN) *provide mediation (JURISDICTION OVER) services as requested by the parties for purposes of this subdivision until (SUCH TIME AS) the parties reach agreement; provided, however, he may continue to assist parties after the parties have submitted their final positions as provided or required*

under section 179.72, subdivision 6; or section 179.69 (, SUB-DIVISION 6);

(b) issue notices, subpoenas and orders as may be required by law to carry out his duties under sections 179.61 to 179.77. Issuance of orders shall include those orders of the Minnesota public employment relations board;

(c) certify to the Minnesota public employment relations board those items of dispute between parties to be subject to the action of the Minnesota public employment relations board under section 179.69, subdivision 3;

(d) assist the parties in formulating petitions, notices, and other papers required to be filed with the director or the board;

(e) certify the final results of any election or other voting procedure conducted pursuant to sections 179.61 to 179.77;

((F) FURNISH CLERICAL AND ADMINISTRATIVE SERVICES TO THE MINNESOTA PUBLIC EMPLOYMENT RELATIONS BOARD AS MAY BE REQUIRED;)

((G) (f) adopt reasonable and proper rules (AND REGULATIONS) relative to and regulating the forms of petitions, notices, orders and the conduct of hearings and elections subject to final approval of the Minnesota public employment relations board. (SUCH) *The* rules (AND REGULATIONS) shall be printed and made available to the public and a copy delivered with each notice of hearing; provided, that (EVERY SUCH) *any* rule (OR REGULATION) shall be filed with the secretary of state, and any change therein or additions thereto shall not take effect until 20 days after (SUCH) *the* filing;

((H) (g) receive, catalogue and file in a logical manner all orders and decisions of the Minnesota public employment relations board and all arbitration panels authorized by sections 179.61 to 179.77 as well as all grievance arbitration decisions and the director's own orders and decisions. All orders and decisions catalogued and filed shall be made readily available to the public;

((I) (h) promulgate a grievance procedure to effectuate the purposes of section 179.70, subdivision 1. (SUCH) *The* grievance (PROCEDURES) *procedure* shall not provide for the services of the bureau of mediation services. The exercise of authority granted by this clause shall be subject to the provisions of chapter 15 (; SAID). *The* grievance procedure (TO) *shall* be available to any public employee employed in a unit not covered by a (NEGOTIATED) *contractual* grievance procedure as contained in section 179.70, subdivision 1;

((J)) (i) conduct elections;

(j) *assign state employee classifications and university of Minnesota employees classifications to the appropriate units provided in section 38, when the classifications have not been assigned pursuant to section 38, or have been significantly modified in occupational content subsequent to assignment pursuant to section 38, and assign supervisory employees to the appropriate units provided in section 38 when the positions have not been assigned pursuant to section 38 or have been significantly modified in occupational content. The assignment of the classes shall be made on the basis of the community of interest of the majority of employees in these classes with the employees within the statutory units, and all the employees in the class, excluding supervisory and confidential employees, shall be assigned to a single appropriate unit.*

Sec. 35. Minnesota Statutes 1978, Section 179.72, Subdivision 6, is amended to read:

Subd. 6. When final positions are certified to the board as provided in section 179.69, (SUBDIVISION 3, OR SUBMITTED TO THE BOARD AS PROVIDED IN SECTION 179.69, SUBDIVISION 5,) the board shall constitute an arbitration panel as follows:

The parties shall, under the direction of the chairman of the board, alternately strike names from a list of seven arbitrators until only three names remain, which three members shall be members of the panel; provided, however, that if either party requests the parties shall select a single arbitrator to hear the dispute. If the parties are unable to agree on who shall strike the first name, the question shall be decided by the flip of a coin. In submitting names of arbitrators to the parties the board shall endeavor whenever possible to include names of persons from the general geographical area in which the public employer is located. The panel shall assume and have jurisdiction over the items of dispute certified to the board for which the panel was constituted. The panel's orders shall be issued upon a majority vote of members considering a given dispute. The members of the panel shall be paid their actual and necessary traveling and other expenses incurred in the performance of their duties plus a per diem allowance of \$180 for each day or part thereof while engaged in the consideration of a dispute. All fees, expenses and costs of the panel shall be shared and assessed equally to the parties to the dispute. In those cases where a single arbitrator is hearing a dispute, the fees, expenses and costs of the arbitrator shall also be shared and assessed equally by the parties to the dispute.

Sec. 36. Minnesota Statutes 1978, Section 179.74, Subdivision 2, is amended to read:

Subd. 2. The employer of state employees shall be, for purposes of sections 179.61 to (179.77) 179.76, the commissioner of (PERSONNEL) *employee relations* or his representative.

Sec. 37. Minnesota Statutes 1978, Section 179.74, Subdivision 3, is amended to read:

Subd. 3. In all negotiations between the state and exclusive representatives the state shall be represented by the commissioner of (PERSONNEL) *employee relations* or his representative. The attorney general, and each appointing authority shall cooperate with the commissioner of (PERSONNEL) *employee relations* in conducting negotiations and shall make available (SUCH) *any personnel and other resources as are necessary* to enable the commissioner to conduct effective negotiations.

Sec. 38. Minnesota Statutes, 1979 Supplement, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of (PERSONNEL) *employee relations* shall meet and negotiate with the exclusive representative of (APPROPRIATE) *each of the units specified in section 38, subdivision 1*, in the manner prescribed by sections 179.61 to (179.77; PROVIDED, HOWEVER, THAT THE DIRECTOR OF MEDIATION SERVICES SHALL DEFINE APPROPRIATE UNITS OF STATE EMPLOYEES AS ALL THE EMPLOYEES UNDER THE SAME APPOINTING AUTHORITY EXCEPT WHERE PROFESSIONAL, GEOGRAPHICAL OR OTHER CONSIDERATIONS AFFECTING EMPLOYMENT RELATIONS CLEARLY REQUIRE APPROPRIATE UNITS OF SOME OTHER COMPOSITION) 179.76. *The appropriate units provided for in section 38 shall be the only appropriate units for executive branch state employees.* The positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of (PERSONNEL) *employee relations* in accordance with the provisions of section 43.326 and so designated in the official state compensation schedules, all unclassified positions in the state university system and the community college system defined as managerial by their respective boards, *all positions of physician employees compensated pursuant to section 43.126, the positions of all unclassified employees appointed by the governor, lieutenant governor, secretary of state, attorney general, treasurer and auditor, all positions in the bureau of mediation services and the public employment relations board, all hearing (EXAMINERS) examiner positions in the office of hearing examiners, and the positions of all confidential employees (WHO WORK IN THE PERSONNEL OFFICES OF AN APPOINTING AUTHORITY IN THE EXECUTIVE BRANCH AND WHO HAVE ACCESS TO INFORMATION SUBJECT TO USE BY THE APPOINTING AUTHORITY IN MEETING AND NEGOTIATING OR WHO ACTIVELY PARTICIPATE IN THE MEETING AND*

NEGOTIATING ON BEHALF OF THE STATE,) shall be excluded from any appropriate unit. (REGARDLESS OF UNIT DETERMINATION,) The governor may upon the unanimous written request of exclusive representatives of units and (APPOINTING AUTHORITIES) *the commissioner direct that negotiations be conducted for one or more (APPOINTING AUTHORITIES) units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.*

Sec. 39. Minnesota Statutes, 1979 Supplement, Section 179.74, Subdivision 5, is amended to read:

Subd. 5. The commissioner of (PERSONNEL) *employee relations* is authorized to and may enter into agreements with *exclusive representatives of the units specified in section 38, subdivision 1.* The provisions of the negotiated agreements and arbitration awards shall be submitted to the legislature to be accepted or rejected *in accordance with this section and section 3.855.* (A STATE EMPLOYEE WHOSE EXCLUSIVE REPRESENTATIVE, AS DEFINED BY SECTION 179.63, SUBDIVISION 6, HAS NOT REACHED A PROPOSED AGREEMENT WITH THE STATE WHICH HAS BEEN SUBMITTED BY THE COMMISSIONER TO THE LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS ON OR BEFORE APRIL 15 OF AN ODD NUMBERED YEAR, SHALL NOT RECEIVE THE WAGE AND ECONOMIC FRINGE BENEFIT INCREASES PROVIDED PURSUANT TO AN AGREEMENT EXECUTED AND APPROVED UNDER THIS SUBDIVISION. DISAPPROVAL BY THE LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS PURSUANT TO SECTION 3.855 OR FAILURE OF THE LEGISLATURE TO APPROVE A NEGOTIATED AGREEMENT OR ARBITRATION AWARD WITH RESPECT TO WAGES AND ECONOMIC FRINGE BENEFITS BY THE TIME OF ADJOURNMENT OF THE REGULAR LEGISLATIVE SESSION IN AN ODD NUMBERED YEAR SHALL BE A DEFENSE TO A VIOLATION OF SECTION 179.64.) *In the event that a proposed agreement or arbitration award is rejected or is not approved by the legislature prior to its adjournment in an odd numbered year, the legislative commission on employee relations is authorized to give interim approval to a proposed agreement or arbitration award. The proposed agreement or arbitration award shall be implemented upon its approval by the commission and state employees covered by the proposed agreement or arbitration award shall not have the right to strike while the interim approval is in effect. The commission shall submit the agreement or arbitration award to the legislature for ratification at a special legislative session called to consider it or at its next regular legislative session. Wages and economic fringe benefit increases provided for in the agreement or arbitration award which were paid pursuant to the interim approval by the commission shall not be affected but such wages and benefit increases shall cease to be paid or provided effective*

upon the rejection of the agreement or arbitration award or upon adjournment by the legislature without acting upon the agreement or arbitration award.

Sec. 40. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.741] [STATE AND UNIVERSITY OF MINNESOTA EMPLOYEES: APPROPRIATE UNITS.] *Subdivision 1. [STATE EMPLOYEES.] Subject to the provisions of section 41, subdivision 5, all appropriate units of state employees certified as of the effective date of this subdivision are abolished. The following shall be the appropriate units of executive branch state employees for the purposes of sections 179.61 to 179.76. All units shall include employees excluded by section 179.74, subdivision 4, and supervisory employees shall only be assigned to units 12 and 16. Unclassified employees, unless otherwise excluded, are included within the units which include the classifications to which they are assigned for purposes of compensation. No additional units of executive branch state employees shall be recognized for the purpose of meeting and negotiating.*

(1) *Law enforcement unit. This unit shall consist of all sworn highway patrol personnel, all uniformed conservation officers, and all criminal apprehension agents.*

(2) *Craft, maintenance, and labor unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(3) *Service unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(4) *Health care non-professional unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(5) *Health care professional unit. This unit shall consist of all positions which are required to be filled by registered nurses.*

(6) *Clerical and office unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(7) *Technical unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(8) *Correctional Guards unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(9) *State university instructional unit. This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(10) *Community college instructional unit. This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(11) *State university administrative unit. This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(12) *Professional engineering supervisory unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(13) *Health treatment unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(14) *General professional unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(15) *Professional state residential instructional unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(16) *Supervisory employees unit. This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

Subd. 2. [STATE EMPLOYEE SEVERANCE.] Each of the following groups of employees shall have the right, as specified in this subdivision, to separate from the general professional, health treatment or general supervisory units provided for in subdivision 1: attorneys, physicians, professional employees of the higher education coordinating board who are compensated pursuant to section 43.064, highway patrol-supervisors, and criminal apprehension investigative-supervisors.

This right shall be exercised by petition during the period commencing on the effective date of this section and concluding thirty days after that date or, after January 1, 1981, during the sixty day period commencing 270 days prior to the termination of a contract covering the units. If one of these groups of employees exercises the right to separate from the units they shall have no right to meet and negotiate, but shall retain the right to meet and confer with the commissioner of employee relations and with the appropriate appointing authority on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a state-wide basis wish to separate from their units may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from the units provided in subdivision 1. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from the unit in favor of separate meet and confer status for any one of these groups of employees, the director shall certify that result. This election shall, where not inconsistent with other provisions of this section, be governed by section 179.67. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.

Subd. 3. [UNIVERSITY OF MINNESOTA.] *All appropriate units of university of Minnesota employees certified as of the effective date of this section are abolished. The following shall be the appropriate units of university of Minnesota employees for the purposes of sections 179.61 to 179.76. All units shall exclude managerial and confidential employees and supervisory employees shall only be assigned to unit 12. No additional units of university of Minnesota employees shall be recognized for the purpose of meeting and negotiating.*

(1) *Law enforcement unit. This unit shall consist of the positions of all employees with the power of arrest.*

(2) *Craft and trades unit. This unit shall consist of the positions of all employees whose work requires specialized manual skills and knowledge acquired through formal training or apprenticeship or equivalent on-the-job training or experience.*

(3) *Service, maintenance and labor unit. This unit shall consist of the positions of all employees whose work is typically that of maintenance, service or labor and which does not require extensive previous training or experience, except as provided in unit 4.*

(4) *Health care non-professional and service unit. This unit shall consist of the positions of all non-professional employees of the university of Minnesota hospitals, dental school and health service whose work is unique to those settings, excluding labor and maintenance employees as defined in unit 3.*

(5) *Nursing professional unit. This unit shall consist of all positions which are required to be filled by registered nurses.*

(6) *Clerical and office unit. This unit shall consist of the positions of all employees whose work is typically clerical or secretarial, including non-technical data recording and retrieval and general office work, except as provided in unit 4.*

(7) *Technical unit. This unit shall consist of the positions of all employees whose work is not typically manual and which requires specialized knowledge or skills acquired through two year academic programs or equivalent experience or on-the-job training, except as provided in unit 4.*

(8) *Twin Cities instructional unit. This unit shall consist of the positions of all instructional employees with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow located on the Twin Cities campuses.*

(9) *Duluth instructional unit. This unit shall consist of the positions of all instructional employees with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow, located at the Duluth campus, provided that the positions of instructional employees of the same ranks at the Morris, Crookston or Waseca campuses shall be included within this unit if a majority of the eligible employees voting at a campus so vote during an election conducted by the director. The election shall be held when an employee organization or group of employees petitions the director stating that a majority of the eligible employees at one of these campuses wishes to join the unit when this petition is supported by a showing of at least 30 percent support from eligible employees at that campus and is filed within 60 days of the effective date of this section or during the period between September 1 and November 1.*

(10) *Graduate assistant unit. This unit shall consist of the positions of all graduate assistants who are enrolled in the graduate school and who hold the rank of research assistant, teaching assistant, teaching associate I or II, project assistant, or administrative fellow I or II.*

(11) *Non-instructional professional unit. This unit shall consist of the positions of all employees meeting the requirements of either clause (a) or (b) of section 197.63, subdivision 10, which are not defined as included within the instructional unit.*

(12) *Supervisory employees unit. This unit shall consist of the positions of all supervisory employees.*

The employer shall petition the director within 90 days of the effective date of this subdivision indicating his position with respect to the allocation of all positions to the units provided in this subdivision. The employer shall serve a copy of the petition on the exclusive representatives of the affected employees. When the employer's position with respect to the positions to be included within a unit established by this subdivision is challenged by an employee organization petitioning under section 179.67, the director shall make a determination as to the allocation of the challenged positions under the language of subdivision 3. His determination shall be made within 60 days of receipt of the petitioning organization's challenge and may be appealed only to the supreme court which shall hear the matter on an expedited basis. Should both units 8 and 9 each elect exclusive bargaining representatives those representatives shall jointly negotiate a contract with the regents.

Subd. 4. [UNIVERSITY OF MINNESOTA EMPLOYEE SEVERANCE.] *Each of the following groups of university of Minnesota employees shall have the right, as specified in this subdivision, to separate from the instructional and supervisory units provided for in subdivision 3: (1) health sciences instructional employees at all campuses with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow, (2) instructional employees of the law school with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow, (3) instructional supervisors, and (4) non-instructional professional supervisors. This right shall be exercised by petition during the period commencing on the effective date of this section and concluding 60 days after that date or, after January 1, 1981, during the period between September 1 and November 1. If one of these groups of employees exercises the right to separate from their unit they shall have no right to meet and negotiate, but shall retain the right to meet and confer with the appropriate officials on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a state-wide basis wish to separate from their unit may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from their unit provided in subdivision 3. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from their unit in favor of meet and confer status for any one of these groups of employees, the director shall certify that result. This election*

shall, where not inconsistent with other provisions of this section, be governed by section 179.67. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.

Sec. 41. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.742] [TRANSITION TO NEW BARGAINING UNIT STRUCTURE FOR STATE AND UNIVERSITY OF MINNESOTA EMPLOYEES.] *Subdivision 1. [APPLICATION OF SECTION.] Notwithstanding section 179.65, subdivision 2, or any other law, this section shall govern, where contrary to other law, the initial certification and decertification, if any, of exclusive representatives for the appropriate units of state employees and university of Minnesota employees established by section 38. Subsequent to the initial certification and decertification, if any, pursuant to this section, the provisions of this section shall not apply.*

Subd. 2. [EXISTING MAJORITY.] The director shall certify an employee organization as exclusive representative for an appropriate unit established by section 38 upon a petition filed with the director by the organization within 30 days of the effective date of this section for state employees and within 180 days of the effective date of this section for university of Minnesota employees stating that the petitioner is certified pursuant to section 179.67 as the exclusive representative of a majority of the employees included within the unit established by section 38 on the effective date of this section. Two or more employee organizations which represent the employees in a unit established by section 38, may petition jointly pursuant to this subdivision, provided that any organization may withdraw from a joint certification in favor of the remaining organization or organizations on 30 days notice to the remaining organization or organizations, the employer, and the director without effect upon the rights and obligations of the remaining organization or organizations or the employer. The director shall make a determination on a timely petition within 45 days of its receipt.

Subd. 3. [NO EXISTING MAJORITY.] (1) If no exclusive representative is certified under subdivision 2, the director shall certify an employee organization as exclusive representative for an appropriate unit established by section 38 upon a petition filed by the organization within the time period provided in subdivision 2, stating that the petitioner is certified pursuant to section 179.67 as the exclusive representative of fewer than a majority of the employees included within the unit established by section 38, where no other employee organization so certified has filed a petition within the time period provided in subdivision 2 so long as a majority of the employees in the unit established

by section 38 are represented by employee organizations pursuant to section 179.67 on the effective date of this section. Two or more employee organizations, each of which represents employees included in the unit established by section 38 may petition jointly pursuant to this clause, provided that any organization may withdraw from a joint certification in favor of the remaining organization or organizations on 30 days notice to the remaining organization or organizations, the employer, and the director without effect upon the rights and obligations of the remaining organization or organizations or the employer. The director shall make a determination on a timely petition within 45 days of its receipt.

(2) If no exclusive representative is certified under subdivision 2 or subdivision 3, clause (1), and an employee organization petitions the director within 45 days of the effective date of this section for state employees and within 195 days of the effective date of this section for university of Minnesota employees stating that at least 30 percent of the employees included within a unit established by section 38 wish to be represented by the petitioner, where this 30 percent is evidenced by current dues deduction rights, signed statements plainly indicating that the signatories wish to be represented for collective bargaining purposes by the petitioner rather than by any other organization, or a combination thereof, the director shall conduct a secret ballot election to determine the wishes of the majority. The election shall be conducted within 75 days of the effective date of this section for state employees and within 225 days of the effective date of this section for university of Minnesota employees and shall, where not inconsistent with other provisions of this section, be governed by section 179.67.

Subd. 4. [DECERTIFICATION.] Prior to January 1, 1981 the director shall consider a petition for decertification of an exclusive representative certified under this section only when the petition is filed within 60 days of the initial certification and only when the certification was made pursuant to subdivisions 2 or 3(1). The petition shall be considered under the provisions of section 179.67 except where they are inconsistent with this subdivision.

Subd. 5. [CONTRACT AND REPRESENTATION RESPONSIBILITIES.] Notwithstanding the provisions of section 40, the exclusive representatives of units of State employees and university of Minnesota employees certified prior to the effective date of this section shall remain responsible for administration of their contracts and for all other contractual duties and shall enjoy the right to dues and fair share fee deduction and all other contractual privileges and rights until June 30, 1981. Exclusive representatives of state employees and university of Minnesota employees certified after the effective date of this section shall immediately upon certification have

the responsibility of bargaining on behalf of employees within the unit. They shall also have the responsibility of administering grievances arising under previous contracts covering employees included within the unit which remain unresolved on June 30, 1981. Where the employer does not object, these responsibilities may be varied by agreement between the outgoing and incoming exclusive representatives. All other rights and duties of representation shall commence on July 1, 1981, except that exclusive representatives certified after the effective date of this section shall immediately upon certification have the right to all employer information and all forms of access to employees within the bargaining unit which would be permitted to the current contract-holder. This section shall in no way affect any existing collective bargaining contract. Should an exclusive bargaining agent not be certified for the unit provided for in section 38, subdivision 3, clause (2), the employees assigned to that unit shall continue to be compensated pursuant to the appropriate university of Minnesota civil service rules, or by the terms of any master or uniform contract of their particular trade which exists between associations of employers in their local area representing all or substantially all of the employees of that trade.

Nothing in sections 1 to 42 shall prevent an exclusive representative certified after the effective date of sections 1 to 42 from assessing fair share or dues deductions immediately upon certification for employees in a unit established under section 38 if the employees were unrepresented for collective bargaining purposes prior to that certification.

Sec. 42. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.743] [STATE EMPLOYEES.] *When no prior determination has been made with respect to the supervisory status of a state employee or his predecessor and no agreement can be reached between the employer and petitioning employee organizations, the commissioner of employee relations may petition the director for a determination. When no agreement can be reached between the employer and petitioning employee organizations on the confidential status of a state employee, the commission of employee relations may petition the director for a determination. The commissioner shall serve a copy of the petition on the exclusive representatives of the affected employees. The director shall not exclude any supervisory or confidential employee from an appropriate unit of nonsupervisory or nonconfidential state employees on the basis of a petition filed later than 30 days after the effective date of this section, except as provided in section 32. The director shall make all determinations under this subdivision within 60 days of receipt of a timely petition. The director shall have full discretion in his determination of the application of sections 179.63, subdivisions 8, 9, and 9a, and 179.71, subdivision 3, paragraph 2 in all cases arising*

under this subdivision. Notwithstanding any other law, his decision shall be final and no appeal whatsoever shall be heard. For the purposes of the certification of a bargaining agent for units provided in subdivision 1 of section 38 employees sought to be excluded by a timely and valid petition as supervisory or confidential shall be counted or shall vote separately in a fashion which shall permit them to be individually excluded or included after a determination as to their status. When a certification is dependent upon challenged employees, the director shall determine the status of the challenged employees prior to deciding the cases of challenged employees whose status need not be determined for a certification. In the latter situation the certification of a bargaining agent shall proceed irrespective of pending challenges.

Sec. 43. Laws 1979, Chapter 332, Article I, Section 114, is amended to read:

Sec. 114. [REPEALER.] Effective July 1, 1981, Minnesota Statutes 1978, Sections 43.03; 43.06; 43.062; 43.063; (43.064;) 43.065; 43.067; 43.068; 43.069; 43.07; 43.09; (43.111;) 43.12, subdivisions 2 to 27; 43.121; 43.122; 43.126 43.127; 43.128; (43.13; 43.14;) 43.162; (43.17; 43.18; 43.19; 43.20; 43.21;) 43.22; 43.222; 43.223; 43.224; 43.23; 43.24; (43.245; 43.321;) 43.322; 43.323; 43.324; 43.326; 43.327; 43.33; 43.44; (43.45; 43.46;) 43.48; and 43.49 (; 43.50; AND 43.51) are repealed.

Sec. 44. Laws 1979, Chapter 332, Article I, Section 116, is amended to read:

Sec. 116. [EFFECTIVE DATE.] The effective dates for Article I are as follows: sections 2, 4, 8, 40, 45, 46, 47, 58, 61, 65, 82-91, and 113 are effective upon final enactment. Section 64, is effective June 30, 1980. Sections 3, 5, 6 and 7 are effective July 1, 1981. The remaining provisions of Article I are effective July 1, 1979. The provisions of section 47 shall apply to all disciplinary actions taken on or after the effective date of section 47. *The provisions of section 63 shall expire on July 1, 1981, but shall apply to all arbitration proceedings which are to determine contractual provisions for the 1982-1983 biennium. The provisions of section 64 shall expire on July 1, 1981, but shall apply to all arbitration proceedings which are to determine contractual provisions for the next contract period.* The provisions of sections (63,) 93 to 111 and 113 shall expire on July 1, 1981. The provisions of section 137.02, subdivision 4, shall not apply to sections 93 to 111.

Sec. 45. [REPEALER.] *Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7, are repealed.*

Sec. 46. [APPROPRIATION.] *Subdivision 1. The amount of \$285,000 is appropriated for the period ending June 30, 1981 to the department of employee relations. The approved complement of the department of employee relations is increased by 5 persons.*

Subd. 2. The amount of \$100,500 is appropriated for the period ending June 30, 1981 to the bureau of mediation services for the purpose of implementing sections 19 to 40.

Subd. 47. [INSTRUCTIONS TO REVISOR.] *In the next and all subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "department of employee relations" for "department of personnel" in every place where the latter is used. The revisor of statutes shall substitute the term "commissioner of employee relations" for "commissioner of personnel" in every place where the latter term is used.*

Sec. 48. [EFFECTIVE DATE.] *Section 16 shall be effective on July 1, 1981. The remaining provisions of this act are effective the day following final enactment but shall not alter the terms of any existing collective bargaining agreement before it expires. Any impermissible affiliation of an exclusive representative existing on the effective date of this section may continue until the termination of any labor agreement in effect on the effective date of this section."*

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF SENATE BILLS

S. F. No. 2085 was read for the second time.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, April 3, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Thursday, April 3, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-THIRD DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 3, 1980

The House of Representatives convened at 11:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Eken	Kaley	Niehaus	Sieben, H.
Adams	Elioff	Kalis	Norman	Sieben, M.
Ainley	Ellingson	Kelly	Novak	Simoneau
Albrecht	Erickson	Kempe	Nysether	Stadum
Anderson, B.	Esau	Knickerbocker	Olsen	Stoa
Anderson, D.	Evans	Kostohryz	Onnen	Stowell
Anderson, G.	Ewald	Kroening	Osthoff	Sviggum
Anderson, I.	Faricy	Kvam	Otis	Swanson
Anderson, R.	Fjoslien	Laidig	Patton	Thiede
Battaglia	Forsythe	Lehto	Pehler	Tomlinson
Begich	Friedrich	Levi	Peterson, B.	Valan
Berglin	Fritz	Long	Peterson, D.	Valento
Berkelman	Fudro	Ludeman	Piepho	Vanasek
Biersdorf	Greenfield	Luknic	Pleasant	Voss
Blatz	Halberg	Mann	Prahl	Waldorf
Brinkman	Haukoos	McCarron	Redalen	Weaver
Byrne	Heap	McDonald	Reding	Welch
Carlson, D.	Heinitz	McEachern	Rees	Welker
Carlson, L.	Hoberg	Mehrkens	Reif	Wenzel
Casserly	Hokanson	Metzen	Rice	Wieser
Clark	Jacobs	Minne	Rodriguez	Wigley
Clawson	Jaros	Moe	Rose	Wynia
Corbid	Jennings	Munger	Sarna	Zubay
Crandall	Johnson, C.	Murphy	Schreiber	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Searles	
Drew	Kahn	Nelson	Sherwood	

A quorum was present.

Dean was excused. Rothenberg was excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Peterson, B., moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. No. 2085 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 1, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that following enrolled Acts of the 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	1207	426	April 1	April 1
	1408	427	April 1	April 1
	1732	428	April 1	April 1
	1834	429	April 1	April 1
	2024	430	April 1	April 1
	2047	431	April 1	April 1
1675		432	April 1	April 1
1797		433	April 1	April 1
2168		434	April 1	April 1

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Begich; Carlson, D.; Battaglia and Elioff introduced:

H. F. No. 2492, A bill for an act relating to public use of private land; clarifying and altering landowners' liability in the recreational use of their land; amending Minnesota Statutes 1978, Sections 87.021, Subdivisions 2 and 3; 87.0221; 87.023; 87.025; and 87.03; repealing Minnesota Statutes 1978, Section 87.022.

The bill was read for the first time and referred to the Committee on Judiciary.

Anderson, B.; Clawson; Mann; Erickson and Welch introduced:

H. F. No. 2493, A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the governor; authorizing the governor to declare by proclamation a public economic emergency under certain conditions, limiting its duration, and providing nullifying powers in the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments.

The bill was read for the first time and referred to the Committee on Judiciary.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2019, A bill for an act relating to education; the maximum effort school aid law; changing the definition of "maximum effort debt service levy"; authorizing the sale of bonds for the maximum effort school loan fund; appropriating

money; amending Minnesota Statutes 1978, Sections 124.38, Subdivision 7; 124.43, Subdivisions 1 and 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Nelsen, M., moved that the House concur in the Senate amendments to H. F. No. 2019 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2019, A bill for an act relating to education; the maximum effort school aid law; changing the definition of "maximum effort debt service levy"; authorizing the sale of bonds for the maximum effort school loan fund; appropriating money; amending Minnesota Statutes 1978, Sections 124.38, Subdivision 7; 124.43, Subdivisions 1 and 2.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kahn	Nelsen, M.	Sieben, H.
Adams	Elioff	Kaley	Nelson	Sieben, M.
Ainley	Ellingson	Kalis	Norman	Simoneau
Albrecht	Esau	Kelly	Novak	Stowell
Anderson, B.	Evans	Kempe	Nysether	Sviggum
Anderson, D.	Ewald	Knickerbocker	Olsen	Swanson
Anderson, G.	Faricy	Kostohryz	Onnen	Thiede
Anderson, I.	Fjoslien	Kroening	Osthoff	Tomlinson
Anderson, R.	Forsythe	Kvam	Otis	Valan
Battaglia	Friedrich	Laidig	Patton	Valento
Begich	Fritz	Lehto	Pehler	Voss
Berglin	Fudro	Levi	Peterson, B.	Waldorf
Berkelman	Greenfield	Long	Peterson, D.	Weaver
Biersdorf	Halberg	Ludeman	Piepho	Welch
Blatz	Haukoos	Luknic	Prahl	Welker
Brinkman	Heap	Mann	Redalen	Wenzel
Byrne	Heinitz	McCarron	Reding	Wieser
Carlson, D.	Hoberg	McDonald	Rees	Wigley
Carlson, L.	Hokanson	Mehrkens	Reif	Wynia
Clark	Jacobs	Metzen	Rodriguez	Zubay
Clawson	Jaros	Minne	Rose	Spkr. Norton
Crandall	Jennings	Moe	Schreiber	
Dempsey	Johnson, C.	Munger	Searle	
Den Ouden	Johnson, D.	Murphy	Searles	
Drew	Jude	Nelsen, B.	Sherwood	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2045, A bill for an act relating to economic development; creating a small business finance agency with authority to sell tax exempt revenue bonds to provide loans for small business projects; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Reding moved that the House concur in the Senate amendments to H. F. No. 2045 and that the bill be repassed as amended by the Senate. The motion prevailed.

Biersdorf, Metzen and Sarna were excused from 11:45 a.m. to 2:30 p.m.

H. F. No. 2045, A bill for an act relating to economic development; creating a small business finance agency with authority to issue and sell tax exempt obligation bonds to provide loans for small business and pollution control projects; requiring reports.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 105 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Aasness	Corbid	Jacobs	McDonald	Pleasant
Adams	Crandall	Jaros	McEachern	Prahl
Ainley	Dempsey	Johnson, C.	Minne	Redalen
Anderson, B.	Elioff	Johnson, D.	Moe	Reding
Anderson, D.	Ellingson	Jude	Munger	Reif
Anderson, R.	Esau	Kahn	Murphy	Rodriguez
Battaglia	Evans	Kaley	Nelsen, B.	Rose
Begich	Ewald	Kalis	Nelsen, M.	Schreiber
Berglin	Fjoslien	Kelly	Nelson	Searle
Berkelman	Forsythe	Kempe	Novak	Searles
Biersdorf	Friedrich	Knickerbocker	Nysether	Sherwood
Blatz	Fudro	Kostohryz	Olsen	Sieben, H.
Brinkman	Greenfield	Kroening	Onnen	Sieben, M.
Byrne	Halberg	Lehto	Osthoff	Simoneau
Carlson, D.	Haukoos	Levi	Otis	Stadum
Carlson, L.	Heap	Long	Patton	Stowell
Casserly	Heinitz	Luknic	Pehler	Sviggum
Clark	Hoberg	Mann	Peterson, D.	Swanson
Clawson	Hokanson	McCarron	Piepho	Thiede

Tomlinson	Voss	Weaver	Wenzel	Zubay
Valan	Waldorf	Welch	Wieser	Spkr. Norton

Those who voted in the negative were :

Albrecht	Farcy	Kvam	Norman	Valento
Den Ouden	Fritz	Ludeman	Peterson, B.	Wigley
Drew	Jennings	Mehrkens	Rees	Wynia

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested :

H. F. No. 2429, A bill for an act relating to usury ; changing the penalty for usurious loans made by state banks and savings banks ; amending Minnesota Statutes 1978, Sections 334.02 ; 334.03 ; and Chapter 48, by adding a section.

PATRICK E. FLAHAVEN, Secretary of the Senate

Corbid moved that the House refuse to concur in the Senate amendments to H. F. No. 2429, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted :

S. F. No. 140.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted :

S. F. No. 1762.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 140, A bill for an act relating to real estate; enacting 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.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1762, A bill for an act relating to the legislature; proposing an amendment to the Minnesota Constitution, Article XI, by adding a section; allowing state spending to be a fixed proportion of state personal income; providing a statute implementing the amendment.

The bill was read for the first time and referred to the Committee on Appropriations.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bills: H. F. No. 2476 and S. F. No. 129.

Faricy moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Nysether was excused for the remainder of today's session.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, designated the following bill as a Special Order to be acted upon immediately preceding Special Orders pending for Thursday, April 3, 1980:

S. F. No. 2085.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1710

A bill for an act relating to energy; stating legislative energy policy; providing grants and assistance for community energy planning; assessment of fees for residential energy audits; providing grants for residential heating costs and weatherization; providing guidelines for a state plan for spending federal money; reimbursing counties for heating emergency assistance expenses; defining large energy facilities; authorizing subdivisions to levy for certain energy related activities; providing grants for energy research and development projects; providing education on building energy efficiency; energy audits; ethanol plant demonstration project; creating the alcohol fuels information center; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 116H.01; 116H.087; 116H.12, Subdivision 11; 216B.16, by adding a subdivision; 275.50, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.02, Subdivision 5; 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1710, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1710 be further amended as follows:

Delete everything after the enacting clause and insert:

Section 1. [3.351] [LEGISLATIVE COMMISSION ON ENERGY.] *Subdivision 1. [COMPOSITION.] The legislative commission on energy is composed of five senators of the majority party and three senators of the minority party appointed by the subcommittee on committees of the committee on rules and administration, and five representatives of the majority party and three representatives of the minority party appointed by the speaker of the house. The commission shall be appointed by June 1, 1980. The commission shall elect a chairman from among its members.*

Subd. 2. [GENERAL DUTIES.] The commission shall:

(a) Make a continuing study of matters relating to energy supply and use in the state;

(b) Identify the potential for enhanced economic growth and job creation from increased energy efficiency and the production and utilization of renewable energy systems.

(c) Identify ways to assure the provision of necessary energy supplies to all Minnesotans;

(d) Coordinate resources and programs on energy conservation; and

(e) Review overall legislative policy concerning energy.

Subd. 3. [ENERGY PLAN; REPORT TO LEGISLATURE.] The commission shall develop legislative energy plans based on the provisions of subdivision 2 and consistent with appropriate long term energy goals for Minnesota. The plans shall be reported to the legislature no later than February 15 of each year.

Subd. 4. [STAFF.] The commission shall use existing legislative facilities and staff.

Sec. 2. Minnesota Statutes 1978, Section 45.17, is amended by adding a subdivision to read:

Subd. 7. The consumer services section shall represent and further the interests of residential utility consumers through participation as an intervenor or interested party in federal proceedings relating to the regulation of: (a) wholesale rates for energy delivered through interstate facilities; or (b) fuel used in generation of electricity or the manufacture of gas. The consumer services section may maintain, intervene in or otherwise participate in any civil actions relating to the federal proceedings. In performing its duties pursuant to this subdivision, the section shall follow the guidelines established pursuant to subdivision 6, clause (1).

Sec. 3. Minnesota Statutes 1978, Section 90.195, is amended to read:

90.195 [SPECIAL USE PERMIT.] The commissioner (, FOR A \$5 FEE,) may issue a permit to salvage or cut not to exceed (25) 12 cords of fuelwood per year for personal use from either or both of the following sources: (1) Dead, down, and diseased trees; (2) other trees that are of negative value under good forest management practices. Such permits may be issued for a period not to exceed one year. A fee shall be charged for the permit of not less than \$5 nor more than the approximate

current market value of fuelwood stumpage of similar species, grade and volume that is being charged in the area.

Sec. 4. Minnesota Statutes 1978, Section 116H.01, is amended to read:

116H.01 [FINDINGS AND PURPOSE.] The legislature finds and declares that (THE PRESENT RAPID) *continued* growth in demand for energy (IS IN PART DUE TO UNNECESSARY ENERGY USE; THAT A CONTINUATION OF THIS TREND WILL RESULT IN SERIOUS DEPLETION OF FINITE QUANTITIES OF FUELS, LAND AND WATER RESOURCES, AND THREATS TO THE STATE'S ENVIRONMENTAL QUALITY; THAT THE STATE MUST INSURE CONSIDERATION OF URBAN EXPANSION, TRANSIT SYSTEMS; ECONOMIC DEVELOPMENT, ENERGY CONSERVATION AND ENVIRONMENTAL PROTECTION IN PLANNING FOR LARGE ENERGY FACILITIES; THAT THERE IS A NEED TO CARRY OUT ENERGY CONSERVATION MEASURES; AND THAT ENERGY PLANNING, PROTECTION OF ENVIRONMENTAL VALUES, DEVELOPMENT OF MINNESOTA ENERGY SOURCES, AND CONSERVATION OF ENERGY REQUIRE EXPANDED AUTHORITY AND TECHNICAL CAPABILITY AND A UNIFIED, COORDINATED RESPONSE WITHIN STATE GOVERNMENT.

THE LEGISLATURE SEEKS TO ENCOURAGE THRIFT IN THE USE OF ENERGY, AND TO MAXIMIZE USE OF ENERGY EFFICIENT SYSTEMS, THEREBY REDUCING THE RATE OF GROWTH OF ENERGY CONSUMPTION, PRUDENTLY CONSERVING ENERGY RESOURCES, AND ASSURING STATEWIDE ENVIRONMENTAL PROTECTION CONSISTENT WITH AN ADEQUATE, RELIABLE SUPPLY OF ENERGY.) *will cause severe social and economic dislocations, and that the state has a vital interest in providing for: increased efficiency in energy consumption, the development and use of renewable energy resources wherever possible, and the creation of an effective energy forecasting, planning and education program.*

The legislature further finds and declares that the protection of life, safety and financial security for citizens during an energy crisis is of paramount importance.

Therefore, the legislature finds that it is in the public interest to review, analyze and encourage those energy programs that will minimize the need for annual increases in fossil fuel consumption by 1990 and the need for additional electrical generating plants, and provide for an optimum combination of energy sources consistent with environmental protection and the protection of citizens.

The legislature intends to monitor, through energy policy planning and implementation, the transition from historic growth in energy demand to a period when demand for traditional fuels becomes stable and the supply of renewable energy resources is readily available and adequately utilized.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 116H.085, is amended to read:

116H.085 [ENERGY CONSERVATION INFORMATION CENTER.] The director shall establish an energy (CONSERVATION) information center in the agency's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and (THE) alternative sources of energy.

The energy information center shall serve as the official Minnesota alcohol fuels information center and shall disseminate information, printed, by the toll-free telephone information service, or otherwise on the applicability and technology of alcohol fuels.

The information center shall include information on the potential hazards of energy conservation techniques and improvements in the printed materials disseminated. The agency shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

Sec. 6. Minnesota Statutes 1978, Section 116H.087, is amended to read:

116H.087 [ENERGY CONSERVATION PUBLICITY.] The director of the energy agency in consultation with (THE DIRECTOR OF THE HOUSING FINANCE AGENCY) *other affected agencies or departments* shall develop *informational materials, pamphlets and radio and television messages on (THE) energy conservation and housing programs available in Minnesota, renewable energy sources, and energy supply and demand.* The (PAMPHLETS) *printed materials* shall include information on available tax credits for residential energy conservation measures, residential retrofitting loan and grant programs, and data on the economics of energy conservation and renewable resource measures. (BEFORE THE PAMPHLETS OR MEDIA MESSAGES ARE RELEASED FOR GENERAL DISTRIBUTION THEY) *Copies of printed materials shall be (REVIEWED BY) distributed to members of the appropriate standing committees of the legislature.*

Sec. 7. [116H.089] [COMMUNITY ENERGY PLANNING; GRANTS.] *Subdivision 1. [PURPOSE.] In order to improve the energy planning capabilities of local governments, the energy agency shall make grants to counties and cities, however organized. The energy agency when making grants shall give priority to those units of government that submit proposals that could result in significant savings of traditional energy sources, development of renewable energy systems, and broad community involvement. The director shall give priority to local units of government that provide staff or other support for a program and who request grants for programs which can be duplicated by other local governments. The grants may be used to purchase materials, employ staff or contract with other units of government or qualified consultants.*

The director shall not make grants of more than 45 percent of the amount appropriated for those purposes to cities and counties located within the seven county metropolitan area. A single grant to a city or county shall not exceed \$50,000.

Subd. 2. [QUALIFYING EXPENDITURES.] Community energy planning grants may be used for the following purposes:

(a) To gather, monitor, and analyze local energy supply, demand, and cost information;

(b) To prepare comprehensive community energy plans;

(c) To implement comprehensive energy plans that the unit of government is authorized to undertake for the management of problems resulting from: (1) rising energy cost; (2) lack of efficient public and private transportation; (3) lack of community conservation efforts; (4) lack of widespread renewable energy sources; and (5) lack of energy components in comprehensive plans and local ordinances;

(d) To assist neighborhood organizations in counties and cities to do energy planning by making grants to the local unit of government; and

(e) Any other purposes deemed appropriate by the director of the energy agency.

Subd. 3. [ADMINISTRATION.] The energy agency shall determine priorities pursuant to subdivisions 1 and 2, and shall promulgate rules for the submission and review of applications in accordance with the provisions of chapter 15. For this purpose the energy agency may adopt temporary rules pursuant to the provisions of section 15.0412, subdivision 5.

Sec. 8. Minnesota Statutes 1978, Section 116H.12, Subdivision 11, is amended to read:

Subd. 11. No new residential

- (a) forced air type central furnace,
- (b) cooking appliance manufactured with an electrical supply cord, or
- (c) clothes drying equipment

designed to burn natural gas equipped with a continuously burning pilot shall be sold or installed in Minnesota. *This subdivision does not apply to forced air type furnaces designed for installation in mobile homes.*

Sec. 9. Minnesota Statutes 1978, Section 116H.129, Subdivision 5, is amended to read:

Subd. 5. [RESIDENTIAL ENERGY DISCLOSURE PROGRAM.] By (MARCH 1, 1979) *May 1, 1980*, 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 subdivision. The rules and forms shall provide only for the disclosure of structural characteristics, energy use characteristics relating to energy consumption and conservation, and the extent of compliance with standards adopted pursuant to subdivision 1. Nothing in the forms shall indicate or be deemed to indicate that the residence meets all state building code specifications.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivision 3, is amended to read:

Subd. 3. No proposed large energy facility shall be certified for construction unless the applicant has justified its need. In assessing need, the director shall evaluate:

- (1) The accuracy of the long range energy demand forecasts on which the necessity for the facility is based;
- (2) The effect of existing or possible energy conservation programs under sections 116H.01 to 116H.15 or other federal or state legislation on long term energy demand;
- (3) The relationship of the proposed facility to overall state energy needs, such as are described in the most recent state energy policy and conservation report prepared pursuant to section 116H.11;
- (4) Promotional activities which may have given rise to the demand for this facility;

(5) Socially beneficial uses of the output of this facility, including its uses to protect or enhance environmental quality;

(6) The effects of the facility in inducing future development;

(7) Possible alternatives for satisfying the energy demand including but not limited to potential for increased efficiency of existing energy generation facilities;

(8) The policies, rules and regulations of other state and federal agencies and local governments (.); and

(9) *Any feasible combination of energy conservation improvements, required by the public service commission pursuant to section 18, that can (1) replace part or all of the energy to be provided by the proposed facility, and (2) compete with it economically.*

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivision 7, is amended to read:

Subd. 7. Other state agencies authorized to issue permits for siting, construction or operation of large energy facilities, and those state agencies authorized to participate in matters before the Minnesota public service commission involving utility rates and adequacy of utility services, shall present their position regarding need and participate in the public hearing process prior to the issuance or denial of a certificate of need. Issuance or denial of certificates of need shall be the sole and exclusive prerogative of the director and said determinations and certificates shall be binding upon other state departments and agencies, regional, county and local governments and special purpose government districts except as provided in sections 116C.01 to 116C.08 and 116D.04, subdivision 9.

Sec. 12. [116H.17] [ENERGY AUDITS.] *The director of the energy agency, in cooperation with the director of consumer services, shall develop the state plan for the program of energy audits of residential and commercial buildings required by 42 United States Code, Section 8211 et seq. The consumer services division and the attorney general are authorized to release information on consumer complaints about the operation of the program to the energy agency.*

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 116H.22, is amended to read:

116H.22 [MONEY FOR SCHOOLS AND GOVERNING BODIES.] (FUNDS) *Money to pay part or all of the actual costs of mini-audits, maxi-audits and energy conservation measures performed by or for schools and governing bodies shall be*

available from legislative appropriations made for that purpose in accordance with the priorities established in section 116H.23. *Money appropriated pursuant to this section is available to school districts and local governmental units that submitted acceptable mini-audits or maxi-audits after April 9, 1976 and before July 1, 1979.*

Sec. 14. [174.256] [PARK AND RIDE PROGRAM.]
Subdivision 1. [PURPOSE.] *It is the purpose of this section to encourage citizens of Minnesota to transfer from low-occupancy vehicles to multi-occupancy vehicles, to reduce the use of the automobile and provide for more efficient usage of existing facilities in heavily traveled corridors and congested areas, to divert automobile drivers from parking spaces in metro areas, to decrease low-occupancy vehicle miles driven and the congestion, pollution, energy consumption, highway damage, and other costs associated with highway use, and to increase the efficiency and productivity of and benefit from public investments in public park and ride facilities and systems in the state, reducing the need for increases in urban land used for parking. It is also the purpose of this section to encourage the use of van pools, car pools, and ride sharing by the citizens of the state.*

Subd. 2. [DEFINITIONS.] *For purposes of this section the following terms have the meanings given them in this subdivision:*

(a) "Commissioner" means the commissioner of transportation.

(b) "Park and ride facility" means a facility consisting of a park and ride lot where commuters' automobiles are parked, and, within a reasonable walking distance, a station or some transfer point where commuters board the transit mode.

(c) "Transit mode" includes transportation by bus, car pool, van pool, and other similar services.

(d) "Exclusive use park and ride lot" means a parking lot that is intended to be used exclusively for park and ride purposes, is constructed with public money and is located within 100 miles of a central business district.

(e) "Joint use park and ride lot" means a parking lot that is intended to be used for other purposes in addition to park and ride and is located within 100 miles of a central business district.

(f) "Fringe parking lot" means a parking lot located outside but near a central business district.

Subd. 3. [GENERAL POWERS AND DUTIES.] *The commissioner shall have the power to:*

(a) Develop and monitor a comprehensive park and ride facility program throughout the state. The program shall coordinate and provide money for the development of a statewide program of park and ride facilities, including joint use park and ride lots, exclusive use park and ride lots, and fringe park and ride lots;

(b) Offer, use and apply the information developed pursuant to clause (a) to assist and advise political subdivisions and recipients of financial assistance in the planning, promotion, development, operation and evaluation of park and ride service facilities. The political subdivision or eligible recipient is responsible for the repair and maintenance of the facility by using local money;

(c) Act upon request as the designated agent of any eligible person for the receipt and disbursement of federal money;

(d) Contract for or provide services as needed in the design or construction of park and ride facilities; and

(e) Establish rules and regulations necessary for implementation of the program.

The commissioner shall perform the duties and exercise the powers under this section in coordination with and in furtherance of statewide, regional, and local transportation plans and transportation development programs.

Subd. 4. [ELIGIBILITY; APPLICATIONS.] A statutory or home rule charter city, county, school district, independent board or agency is eligible to receive financial assistance through the park and ride grant program. Applications for grants shall be approved or denied by the commissioner within 120 days of receipt.

Subd. 5. [EVALUATION AND REPORTS.] The commissioner shall evaluate or contract for the evaluation of park and ride programs developed under the preceding section and submit a report to the legislature by January 15, 1981, including the following information:

(a) The amounts of money spent or obligated for the park and ride programs by the commissioner and the persons receiving those amounts;

(b) The number and type of public park and ride lots in use and a physical description of each;

(c) The types of lots in use, number of individuals served and areas covered;

(d) *A comparison of the cost of providing different types of service;*

(e) *A review of the achievements or failures of the project, problems encountered in implementation and conclusions and recommendations concerning future action.*

Sec. 15. [174.257] [RIDE SHARING PROGRAM.] *The commissioner of transportation shall establish a ride sharing program in order to advise citizens of the available alternatives to travel by low occupancy vehicles and the benefits derived from sharing rides. The program shall provide citizens with necessary information and opportunities for sharing rides, encourage citizens to share rides, and assist citizens in obtaining access to shared rides. The program shall make use of existing services and agencies whenever possible. The program shall give priority to assisting employers who will implement employee ride sharing programs. The services provided by the program shall include, but not be limited to:*

(a) *Providing general information to potential ride sharing users;*

(b) *Establishing procedures for the implementation of ride sharing programs by individuals, groups, corporations or local agencies;*

(c) *Offering assistance to local governments and other political subdivisions in implementing ride sharing programs;*

(d) *Providing technical assistance to those individuals, groups, corporations or local agencies;*

Sec. 16. Minnesota Statutes 1978, Section 216B.16, is amended by adding a subdivision to read:

Subd. 6b. All investments and expenses of a public utility as defined in section 18, subdivision (1)(c), incurred in connection with energy conservation improvements shall be recognized and included by the commission in the determination of just and reasonable rates as if the investments and expenses were directly made or incurred by the utility in furnishing utility service.

Sec. 17. Minnesota Statutes 1978, Chapter 216B, is amended by adding a section to read:

[216B.165.] [ENERGY AUDITS.] *Subdivision 1. A customer who asks a public utility to perform an energy audit of his residence pursuant to 42 United States Code 8211 et seq. shall pay no more than \$10 of the administrative and general expenses associated with the audit. The remainder of the administrative and general expenses of operating a program of energy*

audits pursuant to 42 United States Code 8211 et seq., including those associated with program audits, list distribution, customer billing services, arranging services and post-installation inspections shall be treated as current operating expenses of providing utility service and shall be charged to all ratepayers of the public utility in the same manner as other current operating expenses of providing utility service.

Subd. 2. All audits performed pursuant to 42 United States Code 8211 et seq. of residences which are required by section 116H.129, subdivision 3 to comply with energy efficiency standards shall include a separate list of those improvements to the residence which are required to bring the residence into compliance with section 116H.129, subdivision 3, and a statement describing remedies available to tenants for violations.

Sec. 18. [216B.241] [ENERGY CONSERVATION IMPROVEMENTS.] Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision shall have the meanings given them:

(a) "Commission" means the public service commission, department of public service;

(b) "Energy conservation improvement" means the purchase or installation of any device, method or material that increases the efficiency in the residential use of electricity or natural gas including, but not limited to:

- (1) insulation and ventilation;
- (2) storm or thermal doors or windows;
- (3) caulking and weatherstripping;
- (4) furnace efficiency modifications;
- (5) thermostat or lighting controls;
- (6) awnings; or

(7) systems to turn off or vary the delivery of energy. The term "energy conservation improvement" does not include any device or method which creates, converts or actively uses energy from renewable sources such as solar, wind and biomass.

(c) "Investments and expenses of a public utility" includes the investments and expenses incurred by a public utility in connection with an energy conservation improvement including, but not limited to:

(1) *the differential in interest cost between the market rate and the rate charged on a no interest or below market interest loan made by a public utility to a customer for the purchase or installation of an energy conservation improvement;*

(2) *the difference between the utility's cost of purchase or installation of energy conservation improvements and any price charged by a public utility to a customer for such improvements.*

(d) *"Public utility" has the same meaning as given that term in section 216B.02, subdivision 4. For the purposes of this section, "public utility" shall not include cooperative electric associations that become subject to rate regulation after the effective date of this act.*

Subd. 2. [PROGRAMS.] *Prior to January 1, 1981, the commission, after consultation with the energy agency, shall initiate a pilot program designed to demonstrate the feasibility of investments and expenses of a public utility in energy conservation improvements. The commission, as part of the pilot program, shall order at least one public utility to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements shall be offered to the customers. The order of the commission shall provide to the extent practicable for a free choice of contractor, qualified under the residential conservation services program of the energy agency, for consumers participating in the pilot program. The commission shall not order a utility to make any energy conservation improvement investment or expenditure unless it first finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. Investments and expenditures made pursuant to an order shall be treated for rate-making purposes in the manner prescribed in section 16. No utility shall make an energy conservation improvement pursuant to this section to a residential building envelope unless it is the primary supplier of energy used for either space heating or cooling in the building.*

Subd. 3. [OWNERSHIP OF RESIDENTIAL ENERGY CONSERVATION IMPROVEMENTS.] *Any energy conservation improvement made to or installed in any residential building pursuant to this section shall be the exclusive property of the owner of the building except insofar as it is subjected to a security interest in favor of the utility in case of a loan to the building owner. The utility shall have no liability for loss, damage or injury caused directly or indirectly by any energy conservation improvement except for negligence by the utility in purchase, installation, or modification of the product.*

Subd. 4. [FEDERAL LAW PROHIBITIONS.] If investments by public utilities in energy conservation improvements are in any manner prohibited or restricted by federal law and there is a provision under which such prohibition or restriction may be waived, then the commission, the governor, or any other necessary state agency or officer shall take all necessary and appropriate steps to secure a waiver with respect to those public utility investments in energy conservation improvements included in this section.

Sec. 19. Minnesota Statutes, 1979 Supplement, Section 268.-37, is amended to read:

268.37 [COORDINATION OF FEDERAL AND STATE RESIDENTIAL WEATHERIZATION PROGRAMS.] Subdivision 1. The department of economic security is the state agency to apply for, receive, and disburse (FEDERAL) money made available to the state by federal law (OR RULES PROMULGATED THEREUNDER) for the purpose of weatherizing the residences of low-income persons. The commissioner of economic security shall coordinate available federal money with (ANY) state money appropriated for this purpose.

Subd. 2. The commissioner shall make grants of federal and state money to community action agencies and other public or private nonprofit agencies for the purpose of weatherizing the residences of low-income persons. Grant applications shall be submitted in accordance with rules developed pursuant to 42 U.S.C., Sections 6861 to 6872, any other relevant federal weatherization program, and rules promulgated by the commissioner.

Subd. 3. The commissioner shall promulgate temporary rules as necessary to administer the grants program (BY JULY 1, 1979) and shall promulgate permanent rules by July 1, 1980. The rules shall describe: (a) procedures for the administration of grants, (b) data to be reported by grant recipients, and (c) other matters the commissioner finds necessary for the proper administration of the grant program including compliance with relevant federal regulations. Weatherization assistance shall be given to households where the total income does not exceed 125 percent of the poverty level as updated by the federal office of management and budget poverty guidelines.

Subd. 4. [SUPPLEMENTARY STATE GRANTS.] *The commissioner shall distribute supplementary state grants in a manner consistent with the goal of producing the maximum number of weatherized units. Supplementary state grants are provided primarily for the payment of additional labor costs for the federal weatherization program, and as an incentive for the increased production of weatherized units.*

Criteria for the allocation of state grants to local agencies include: (a) existing local agency production levels, (b) avail-

ability of CETA resources in the area, (c) emergency needs, and (d) the potential for maintaining or increasing acceptable levels of production in the area.

An eligible local agency may receive advance funding for 90 days' production, but thereafter shall receive grants solely on the basis of program criteria.

Subd. 5. The commissioner shall submit reports to the legislature by March 1 of each year, (1980, AND MARCH 1, 1981,) evaluating the weatherization program. The reports shall describe: (a) the number of households weatherized, (b) the average cost per household, (c) any change in energy consumption after weatherization, (d) outreach efforts, and (e) any other information the commissioner feels is relevant, including information routinely submitted to the federal government.

Sec. 20. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 15b. It may make grants to assist in energy conservation rehabilitation measures for existing owner occupied housing including, but not limited to: insulation, storm windows and doors, furnace or space heater repair, cleaning or replacement, chimney construction or improvement, weatherstripping and caulking, and structural or other directly related repairs essential for energy conservation. The grant to any household shall not exceed \$2,000.

To be eligible for an emergency energy conservation grant, a household must be certified as eligible to receive emergency residential heating assistance under either the federal or the state program, and either (1) have had a heating cost for the preceding heating season that exceeded 120 percent of the regional average for the preceding heating season for that energy source as determined by the energy agency, or (2) be eligible to receive a federal energy conservation grant, but be precluded from receiving the grant because of a need for directly related repairs that cannot be paid for under the federal program. The housing finance agency shall make a reasonable effort to determine whether other state or federal loan and grant programs are available and adequate to finance the intended improvements. An emergency energy conservation grant may be made in conjunction with grants or loans from other state or federal programs that finance other needed rehabilitation work. The receipt of a grant pursuant to this section shall not affect the applicant's eligibility for other housing finance agency loan or grant programs.

Temporary rules to implement this subdivision may be promulgated and amended pursuant to chapter 15. The temporary rules may remain in effect until July 1, 1981.

Sec. 21. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 4g. It may make emergency energy conservation grants as provided in section 20 and may pay the costs and expenses necessary and incidental to the development of the emergency energy conservation grant program.

Sec. 22. [EMERGENCY RESIDENTIAL HEATING GRANTS.] *Subdivision 1. The commissioner of economic security shall make grants pursuant to the state plan to county boards, community action agencies, or other public or private nonprofit agencies for the purpose of providing emergency residential heating grants to low income households. These grants shall be made to the same agencies and in the same manner as provided for federal grants under the energy crisis assistance program of 42 United States Code, Section 2809, Paragraph (a), Clause (5), except as otherwise provided in sections 22 to 25.*

Subd. 2. The commissioner of economic security shall promulgate rules that provide: (a) procedures for the administration of grants; (b) data to be reported by grant recipients and heating fuel suppliers; and (c) other matters the commissioner finds necessary for the proper administration of the state and federal grant programs. The rules may take effect as temporary rules upon approval by the attorney general and without the normal publication in the state register and 20 day wait for comments from the public, and may be amended in the same manner at a later date if comments from the public demonstrate that amendments are justified.

Subd. 3. Data on individuals collected, maintained, used, or disseminated pursuant to sections 22 to 25 are private data on individuals and shall not be disclosed except as provided for data in the welfare system under Minnesota Statutes, 1979 Supplement, Section 15.1691.

Sec. 23. [ALLOCATIONS.] *Money appropriated for emergency residential heating grants shall be allocated among local administrative agencies on the basis of the number of households in the area served by the agency whose income falls within the limits specified for grant eligibility in relation to the total of those households in the state.*

Sec. 24. [ELIGIBILITY; AMOUNT OF GRANT.] *Subdivision 1. [INCOME LIMITS.] Emergency residential heating grants under this section shall be paid only to households not eligible for the federal energy crisis assistance program and*

whose total household income does not exceed the following limits:

Size of Household	Not More Than
1	\$ 5,100
2	6,750
3	8,400
4	10,050
5	11,700
6	13,350
	(For each additional household member add \$1,650.)

In determining total household income, a household with earned income may deduct from earned income state and federal income taxes and social security contributions. In addition, a household may deduct medical expenses that are not reimbursed by insurance or other sources and that exceed three percent of the household income.

Subd. 2. [AMOUNT OF GRANT.] The amount of a grant under this section, in combination with the special grant paid by the federal government directly to recipients of supplemental security income and money available to the state under the HEW block grant program shall be the lesser of:

(a) Fifty percent of the cost of residential heating energy paid or reasonably anticipated to be paid by the household during the winter heating season beginning in September and ending in May; or

(b) The appropriate table of maximum grant amounts as follows:

(1) If the maximum grant for fuel oil under the current state plan for the federal energy assistance program at the highest eligible income level is between \$400 and \$600, the following amounts graduated by size of household, income of household, and source of energy:

Household Size	Household Income		Fuel Oil, Canadian Natural Gas and Propane	Wood and Other Energy Sources
	More Than but	Not More Than		
1		\$ 4,250	\$400	\$267
	\$ 4,250	\$ 4,675	\$283	\$189
	\$ 4,675	\$ 5,100	\$167	\$111
2		\$ 5,625	\$400	\$267
	\$ 5,625	\$ 6,188	\$283	\$189
	\$ 6,188	\$ 6,750	\$167	\$111
3		\$ 7,000	\$400	\$267
	\$ 7,000	\$ 7,700	\$283	\$189
	\$ 7,700	\$ 8,400	\$167	\$111
4		\$ 8,375	\$400	\$267
	\$ 8,375	\$ 9,212	\$283	\$189
	\$ 9,212	\$10,050	\$167	\$111
5		\$ 9,750	\$400	\$267
	\$ 9,750	\$10,725	\$283	\$189
	\$10,725	\$11,700	\$167	\$111
6		\$11,125	\$400	\$267
	\$11,125	\$12,238	\$283	\$189
	\$12,238	\$13,350	\$167	\$111

or

(2) If the maximum grant for fuel oil under the current state plan for the federal energy assistance program at the highest eligible income level is \$600 or more, the following amounts graduated by size of household, income of household, and source of energy:

Household Size	Household Income		Fuel Oil, Canadian Natural Gas and Propane	Wood and Other Energy Sources
	More Than but	Not More Than		
1		\$ 4,250	\$600	\$400
	\$ 4,250	\$ 4,675	\$425	\$283
	\$ 4,675	\$ 5,100	\$250	\$167
2		\$ 5,625	\$600	\$400
	\$ 5,625	\$ 6,188	\$425	\$283
	\$ 6,188	\$ 6,750	\$250	\$167
3		\$ 7,000	\$600	\$400
	\$ 7,000	\$ 7,700	\$425	\$283
	\$ 7,700	\$ 8,400	\$250	\$167

For households of more than six members, the amount of the grant is scaled downward as income goes upward in the same manner as provided in tables 1 and 2 above.

Grants for recipients who use two or more types of fuel shall be based on the household's primary energy source.

Users of wood as the primary heating source, whether the wood is purchased or not, are eligible for assistance under this section.

Grants shall not be considered as income or resources under any other public or publicly assisted income tested program.

Sec. 25. [LEGISLATIVE AUDITOR REPORT.] *The legislative auditor shall submit to the legislature by January 1 of each year an audit report of the department of economic security concerning their administration of the emergency residential heating grant program. This report shall also contain a summary of the audit results of the local agencies involved in the administration of the program.*

These financial and compliance audits of the local agencies shall be initiated, monitored, and approved by the commissioner of economic security. The legislative auditor must approve the selection of the auditors and scope of the audit.

Sec. 26. [STATE PLAN FOR SPENDING FEDERAL MONEY.] *Subdivision 1. The governor shall submit to the appropriate federal agency a state delivery plan for money the state receives under the Federal Home Energy Assistance Act of 1980 that includes the following elements:*

(a) Those households in which one or more individuals are eligible for (a) aid to families with dependent children, (b) supplemental security income payments, (c) food stamps, or (d) certain veteran's benefits as limited by the Home Energy Assistance Act of 1980 shall be categorically eligible for assistance under the state plan, and procedures for simplified application shall be developed.

(b) Users of wood as a primary heating source, whether the wood is purchased or not, shall be eligible for assistance if otherwise eligible under federal law.

(c) Grants under the state plan may be in the form of a direct payment to an eligible household or as a line of credit to an energy supplier. The plan shall describe the conditions under which direct payment is permitted.

(d) Eligible households that have medically necessary cooling costs, as limited by federal law, shall be eligible for assistance.

(e) The state plan shall provide that three percent of the federal money shall be set aside for the emergency uses specified in federal law.

(f) The state plan shall specify the local entity to receive federal funds.

Subd. 2. Before the state plan is submitted to the appropriate federal agency, the governor shall deliver the plan to the appropriate committees of the legislature for review and comment. Thereafter, the governor shall notify the committees of any changes made in the plan.

Sec. 27. [AVAILABILITY OF MATCHING FUNDS; POSITIONS.] *Money appropriated by Extra Session Laws 1979, Chapter 2, Section 45, Subdivision 2, Clause (i) is available to match federal, local or private money for district heating systems when the federal or local government or private sources, or a combination thereof, issues a letter of intent to finance the project at the rate of at least \$3 for each \$1 of state money. Positions authorized by Extra Session Laws 1979, Chapter 2, Section 45, Subdivision 2, may be in the classified or unclassified service.*

Sec. 28. [ENERGY EFFICIENT BUILDING EDUCATION.] *The energy agency shall develop a program to provide*

information and training to contractors, engineers and architects on techniques and standards for the design and construction of buildings which maximize energy efficiency. The program may include the production of printed materials and the development of training courses.

Sec. 29. [MINNESOTA BIOMASS CENTER.] *Subdivision 1. The director of the energy agency, in consultation with the commissioner of agriculture, and the commissioner of economic development, shall prepare a plan for the creation and organization of a Minnesota biomass center, to be delivered to the legislature by January 1, 1981.*

The center shall be the focus of biomass energy activities for the state. To the maximum extent possible, the center shall coordinate its activities and the use of its staff and facilities with those of other entities involved in biomass energy projects.

Subd. 2. [RESPONSIBILITIES.] *The center shall:*

(1) *Coordinate existing education and training programs for biomass energy production and use within the state and develop new programs where necessary. Educational programs shall cover all types of biomass energy production use, including but not limited to production from grain, biowaste, and celulosic materials;*

(2) *Serve as a central information resource in conjunction with existing agencies and academic institutions in order to provide information to the public on the production and use of biomass energy. The center shall obtain and analyze available information on biomass energy topics and prepare it for distribution to ensure that the public receives the most accurate and up-to-date information available;*

(3) *Participate in necessary research projects to assist in technological advancement in areas of biomass energy production, distribution, and use. The center shall also study the environmental and safety aspects of biomass energy use;*

(4) *Support and coordinate financing activities for biomass energy production, including providing technical assistance and manuals to individuals and groups seeking private, local, state or federal funding. The center shall be responsible for evaluating projects for any state assistance that may become available;*

(5) *Develop consumer information and protection programs for all aspects of biomass energy production and use;*

(6) *Investigate marketing and distribution needs within the state;*

(7) Review state and federal laws and regulations affecting biomass energy production and use, and evaluate regulatory incentives in order to provide the legislature with legislative proposals for the encouragement of biomass energy production and use within the state.

Sec. 30. [ETHANOL DEMONSTRATION PLANT.] The University of Minnesota shall construct and operate a small scale plant for the production of ethanol at the west central experimental station, Morris. The plant shall produce ethanol from more than one resource. The plant shall operate for at least two years and shall be instrumented and monitored. The university shall determine the feasibility of utilization of by-products produced by the plant. The plant shall be designed for easy replication by farmers. The university shall develop and print at least 5,000 copies of easily understandable plans that demonstrate the construction of a small scale ethanol plant by February 28, 1982. The plans shall be available at no cost from the agricultural extension service.

Sec. 31. [PUBLIC UTILITY DELINQUENCY CHARGES.] A public utility as defined by section 216B.02, a municipality or cooperative electric association, or telephone company as defined by section 237.01 shall, if that utility adopts a policy of imposing a charge or fee upon delinquent residential and farm accounts, provide that each billing shall clearly state the terms and conditions of any penalty in the form of the monthly percentage rate.

Sec. 32. [APPROPRIATIONS.] Subdivision 1. The sum of \$19,930,500 is appropriated from the general fund to the agencies and for the purposes indicated in this section, to be available for the fiscal year ending June 30 in the years indicated. Appropriations for fiscal year 1980 do not cancel but are available until June 30, 1981. Approved complement positions shall be in the unclassified service and for the balance of the biennium ending June 30, 1981 only.

	1980	1981
Subd. 2. LEGISLATIVE		
COORDINATING COMMISSION . . . \$	25,000	

To pay the expenses incurred by the legislative commission on energy created in section 1.

Subd. 3. ADMINISTRATION . . . \$	200,000
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This appropriation is for purchase or lease of commuter vans pursuant to section 16.756.

Subd. 4. ENERGY AGENCY . . . \$	2,175,500
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This appropriation is available for the following purposes:

(a) *Expansion of the energy conservation information center and energy conservation publicity* \$ 123,000

(b) *For the purposes specified in section 29* \$ 50,000

It is a condition of acceptance of the appropriation made in clause (b) that the agency shall submit a work program and progress reports in the form determined by the legislative commission on Minnesota resources. None of the moneys provided in this subdivision may be expended unless the commission has approved the pertinent work program.

(c) *Development of state plan for energy audits for residential and commercial buildings pursuant to section 12.* \$ 70,000

(d) *Energy supply emergency plan development* \$ 5,000

(e) *Renewable energy resource research and development grant rule-making* \$ 7,500

(f) *Wetlands plant biomass research* \$ 225,000

(g) *Energy efficient building education pursuant to section 28* \$ 35,000

(h) *To administer the grant program established by section 7 and to develop model community energy plans and ordinances of statewide applicability* \$ 40,000

Approved complement — 1

(i) *For the community energy program grants established by section 7* \$ 1,250,000

This appropriation is available until expended.

	1980	1981
(j) Energy conservation materials. \$	230,000	
(k) Continued operation of fuel allocation program	\$ 140,000	
Approved complement — 5		
Total complement — 11		
Subd. 5. TRANSPORTATION	\$ 400,000	
<i>This appropriation is available for the following purposes:</i>		
(a) Park and Ride Program	\$ 200,000	
(b) Ride Sharing Program	\$ 200,000	
Subd. 6. ECONOMIC SECURITY. \$	12,000,000	\$2,000,000

This appropriation is available for the following purposes:

(a) For emergency residential heating assistance	\$ 3,000,000	
(b) For emergency residential heating assistance for fiscal year 1981		\$2,000,000

(1) If for any reason federal money is not available, the appropriation in clause (b) may be used for grants to be made pursuant to the current state plan. (2) If federal money is available to pay energy grants to persons eligible under section 24, the money appropriated in clause (b) is available for any state matching requirement required by a federal energy assistance program. (3) If a household's income does not exceed 168 percent of office of management and budget nonfarm poverty guidelines and the household is not eligible for assistance under the federal program for fiscal year 1981, the money appropriated in clause (b) is available for grants in the same manner and form as is specified in the state plan for the federal energy assistance

1979

1980

program for fiscal year 1981. (4) If grants are paid from the appropriation of state money in clause (b) to persons eligible to receive grants for the same purpose from federal money, the appropriations shall be reimbursed for those grants from federal money when the federal money becomes available if reimbursement is permitted under federal law.

(c) Local administrative agencies retain up to five percent of the appropriations in clauses (a) and (b) for administrative costs. The state administrative agency may retain up to two percent of the appropriation for administrative costs.

(d) Weatherization of residences pursuant to section 19. \$ 9,000,000

Local administrative agencies may retain up to 7-1/2 percent of the appropriation in this clause for administrative costs. The state administrative agency may retain up to two percent of the appropriation in this clause for administrative costs.

Subd. 7. UNIVERSITY OF MINNESOTA \$ 200,000

For construction and operation of a small scale ethanol plant at the west central experimental station at Morris and the production of plans pursuant to section 30.

Subd. 8. HOUSING FINANCE AGENCY

(a) For the purpose \$ 150,000 of subsidizing the loan origination fee on a rehabilitation loan of \$2,000 or less if the loan is made in accordance with Minnesota Statutes, Section 462A.05, Subdivision 14, to enable the recipient to accomplish energy conservation related improvements. The appropriation in this section may be used only to subsidize that part of a

1979

1980

loan origination fee which is equal to the difference between the initiation fee for the loan and two percent of the face value of the loan. The appropriation shall be available until expended. Before January 15, 1981, the Minnesota housing finance agency shall report to the legislature on the effectiveness of the loan origination fee subsidization program.

(b) To the housing development fund created by section 462A.20, for the purpose of the emergency energy conservation grant program specified in sections 20 and 21, and for the payment of related costs and expenses. \$ 2,000,000

Approved complement — 2.

Subd. 9. COMMERCE For development of energy audit program for commercial and residential buildings \$ 30,000

Subd. 10. PUBLIC WELFARE To reimburse counties for the county portion of expenses incurred by them in providing residential heating assistance under the emergency assistance and special needs allowance programs during fiscal year 1980. No county match is required for this money. \$ 500,000

Subd. 11. NATURAL RESOURCES For the fuelwood management program \$ 250,000

The commissioner of natural resources shall develop and implement a fuelwood management program to increase the availability of fuelwood on public lands by the application of sound forest management techniques including timber stand improvements and utilization of wood residues resulting from timber harvesting and site conversion. Notwithstanding any law to the contrary, the department may make contracts for professional, technical or consulting services to implement this program. It is a condition of acceptance of the appropriation made in this subdivision that the agency shall submit a work program and progress reports in the form

determined by the legislative commission on Minnesota resources. None of the moneys provided in this subdivision may be expended unless the commission has approved the pertinent work program.

Sec. 33. [REPEALER.] *Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2, are repealed.*

Sec. 34. [EFFECTIVE DATE.] *This act is effective the day following final enactment. The provisions of section 1 shall expire on July 1, 1987. The provisions of sections 22 to 25 shall expire January 2, 1982."*

Delete the title and insert:

"A bill for an act relating to energy; establishing a legislative commission on energy; stating energy policy; broadening the scope of state weatherization programs; creating a state emergency residential heating program; expanding energy awareness programs; creating a Minnesota biomass center; providing for an ethanol demonstration plant; providing grants and assistance for community energy planning; expanding consumer representation in certain energy hearings; regulating delinquency charges on customer or subscriber accounts; providing guidelines for a state plan for spending federal money; reimbursing counties for emergency energy assistance expenses; providing education on building energy efficiency; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 45.17, by adding a subdivision; 90.195; 116H.01; 116H.087; 116H.12, Subdivision 11; 116H.129, Subdivision 5; 216B.16, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2."

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

House Conferees: KEN G. NELSON, TOM STOA and WILLIAM D. DEAN.

Senate Conferees: HUBERT H. HUMPHREY III, JERALD C. ANDERSON and HARMON T. OGDahl.

Nelson moved that the report of the Conference Committee on H. F. No. 1710 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

CALL OF THE HOUSE

On the motion of Berglin and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Den Ouden	Kalis	Nelson	Sieben, M.
Adams	Drew	Kelly	Niehaus	Simoneau
Ainley	Elioff	Kempe	Novak	Stadum
Albrecht	Ellingson	Knickerbocker	Olsen	Stowell
Anderson, B.	Esau	Kostohryz	Onnen	Thiede
Anderson, D.	Evans	Kroening	Osthoff	Tomlinson
Anderson, G.	Faricy	Laidig	Otis	Valan
Anderson, R.	Fjoslien	Lehto	Pehler	Valento
Battaglia	Forsythe	Levi	Peterson, B.	Waldorf
Begich	Friedrich	Long	Peterson, D.	Weaver
Berglin	Fudro	Ludeman	Piepho	Welch
Berkelman	Greenfield	Luknic	Pleasant	Welker
Biersdorf	Halberg	Mann	Prahl	Wenzel
Brinkman	Heap	McCarron	Redalen	Wieser
Byrne	Heinitz	McEachern	Reding	Wigley
Carlson, D.	Hoberg	Mehrkens	Reif	Wynia
Carlson, L.	Hokanson	Metzen	Rodriguez	Zubay
Cassery	Jennings	Minne	Rose	Sprk. Norton
Clark	Johnson, D.	Moe	Schreiber	
Corbid	Jude	Munger	Searle	
Crandall	Kahn	Murphy	Searles	
Dempsey	Kaley	Nelsen, B.	Sherwood	

Berglin moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

H. F. No. 1710, A bill for an act relating to energy; stating legislative energy policy; providing grants and assistance for community energy planning; assessment of fees for residential energy audits; providing grants for residential heating costs and weatherization; providing guidelines for a state plan for spending federal money; reimbursing counties for heating emergency assistance expenses; defining large energy facilities; authorizing subdivisions to levy for certain energy related activities; providing grants for energy research and development projects; providing education on building energy efficiency; energy audits; ethanol plant demonstration project; creating the alcohol fuels information center; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 116H.01; 116H.087; 116H.12, Subdivision 11; 216B.16, by adding a subdivision; 275.50, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.02, Subdivision 5; 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 87 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Jude	Nelsen, B.	Sieben, M.
Anderson, B.	Drew	Kahn	Nelsen, M.	Simoneau
Anderson, D.	Eken	Kelly	Nelson	Stadum
Anderson, G.	Elioff	Kempe	Norman	Stoa
Anderson, I.	Ellingson	Kostohryz	Novak	Sviggum
Anderson, R.	Evans	Kroening	Onnen	Tomlinson
Battaglia	Faricy	Lehto	Osthoff	Valan
Begich	Fjoslien	Long	Otis	Vanasek
Berglin	Fritz	Luknic	Patton	Voss
Berkelman	Fudro	Mann	Pehler	Waldorf
Blatz	Greenfield	McCarron	Peterson, B.	Weaver
Brinkman	Heap	McEachern	Peterson, D.	Welch
Byrne	Hoberg	Mehrkens	Pleasant	Wenzel
Carlson, D.	Hokanson	Metzen	Reding	Wynia
Carlson, L.	Jacobs	Minne	Reif	Spkr. Norton
Casserly	Jaros	Moe	Rice	
Clark	Johnson, C.	Munger	Rodriguez	
Clawson	Johnson, D.	Murphy	Sieben, H.	

Those who voted in the negative were:

Aasness	Ewald	Knickerbocker	Prahl	Stowell
Ainley	Forsythe	Kvam	Redalen	Swanson
Albrecht	Friedrich	Laidig	Rees	Thiede
Biersdorf	Halberg	Levi	Rose	Valento
Crandall	Haukoos	Ludeman	Rothenberg	Welker
Dempsey	Heinitz	McDonald	Schreiber	Wieser
Den Ouden	Jennings	Niehaus	Searle	Wigley
Erickson	Kaley	Olsen	Searles	Zubay
Esau	Kalis	Piepho	Sherwood	

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO 1534

A bill for an act relating to real estate; increasing certain fees charged by the county recorder and registrar of titles; providing that the county recorder be notified of deferred assessments; amending Minnesota Statutes 1978, Sections 273.111, Subdivision 11; 357.18, Subdivision 1; 375.14; 429.061, Subdivision 2; 462.358, by adding a subdivision; and 508.82.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1534, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

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

House Conferees: JOHN L. WEAVER, JOHN T. CLAWSON, and LEO J. REDING.

Senate Conferees: ROGER E. STRAND, BOB LESSARD and MEL FREDERICK.

Weaver moved that the report of the Conference Committee on H. F. No. 1534 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1534, A bill for an act relating to real estate; increasing certain fees charged by the county recorder and registrar of titles; providing that the county recorder be notified of deferred assessments; amending Minnesota Statutes 1978, Sections 273.111, Subdivision 11; 357.18, Subdivision 1; 375.14; 429.061, Subdivision 2; 462.358, by adding a subdivision; and 508.82.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, I.	Blatz	Crandall	Erickson
Adams	Anderson, R.	Brinkman	Dempsey	Esau
Ainley	Battaglia	Byrne	Den Ouden	Evans
Albrecht	Begich	Carlson, L.	Drew	Ewald
Anderson, B.	Berglin	Casserly	Eken	Faricy
Anderson, D.	Berkelman	Clark	Elioff	Fjoslien
Anderson, G.	Biersdorf	Corbid	Ellingson	Forsythe

Friedrich	Kempe	Munger	Redalen	Thiede
Fritz	Knickerbocker	Murphy	Reding	Tomlinson
Fudro	Kostohryz	Nelsen, B.	Rees	Valan
Halberg	Kroening	Nelsen, M.	Reif	Valento
Haukoos	Kvam	Nelson	Rice	Vanasek
Heap	Laidig	Niehaus	Rodriguez	Voss
Heinitz	Lehto	Norman	Rose	Waldorf
Hoberg	Levi	Novak	Rothenberg	Weaver
Hokanson	Long	Olsen	Sarna	Welch
Jacobs	Ludeman	Onnen	Schreiber	Welker
Jaros	Luknic	Osthoff	Searles	Wenzel
Jennings	Mann	Otis	Sherwood	Wieser
Johnson, C.	McCarron	Patton	Sieben, H.	Wigley
Johnson, D.	McDonald	Pehler	Sieben, M.	Wynia
Jude	McEachern	Peterson, B.	Simoneau	Zubay
Kahn	Mehrkens	Peterson, D.	Stadum	Spkr. Norton
Kaley	Metzen	Piepho	Stowell	
Kalis	Minne	Pleasant	Sviggum	
Kelly	Moe	Prahl	Swanson	

The bill was repassed, as amended by Conference, and its title agreed to.

CALL OF THE HOUSE LIFTED

Knickerbocker moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1612

A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing property tax relief; excepting the conveyance of certain land from restrictions on the filing and recording of conveyances; modifying the policy statement for municipal planning and development; appropriating money; amending Minnesota Statutes 1978, Sections 462.351; and 462.358, Subdivision 4.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1612, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1612 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [CITATION; POLICY; PURPOSE.] *Subdivision 1. Sections 2 to 17 may be cited as the “metropolitan agricultural preserves act”.*

Subd. 2. It is the policy of the state to encourage the use and improvement of its agricultural lands for the production of food and other agricultural products. It is the purpose of sections 2 to 17 to provide an orderly means by which lands in the metropolitan area designated for long term agricultural use through the local and regional planning processes will be taxed in an equitable manner reflecting the long term singular use of the property, protected from unreasonably restrictive local and state regulation of normal farm practices, protected from indiscriminate and disruptive taking of farmlands through eminent domain actions, protected from the imposition of unnecessary special assessments, and given such additional protection and benefits as are needed to maintain viable productive farm operations in the metropolitan area.

Sec. 2. [DEFINITIONS.] *Subdivision 1. For purposes of sections 2 to 17 the terms defined in this section shall have the meanings given them.*

Subd. 2. “Agricultural preserve” or “preserve” means a land area covenanted according to section 5 to remain in agricultural use.

Subd. 3. “Agricultural use” means the production for sale of livestock, dairy animals, dairy products, poultry or poultry products, fur bearing animals, horticultural or nursery stock, fruit, vegetables, forage, grains, or bees and apiary products. Wetlands, pasture and woodlands accompanying land in agricultural use shall be deemed to be in agricultural use.

Subd. 4. “Authority” means the unit of government exercising planning and zoning authority for the land specified in an application as provided under section 5 and pursuant to Minnesota Statutes, Sections 394.21 to 394.37, 462.351 to 462.364, or 366.10 to 366.19. Where both a county and a township have adopted zoning regulations, the authority shall be the unit of government designated to prepare a comprehensive plan pursuant to Minnesota Statutes, Section 473.861, Subdivision 2.

Subd. 5. “Certified long term agricultural land” means land certified pursuant to section 4 as eligible for designation as agricultural preserves.

Subd. 6. “Covenant agreement” means a restrictive covenant initiated by the owner and evidenced by an agreement provided for in section 5 whereby the owner places the limitations on specified land and receives the protections and benefits contained in sections 2 to 17.

Subd. 7. "Long term agricultural land" means land in the metropolitan area designated for agricultural use in local or county comprehensive plans adopted and reviewed pursuant to Minnesota Statutes, Sections 473.175, and 473.351 to 473.871, and which has been zoned specifically for agricultural use permitting a maximum residential density of not more than one unit per quarter/quarter.

Subd. 8. "Metropolitan area" has the meaning given it in Minnesota Statutes, Section 473.121, Subdivision 2.

Subd. 9. "Owner" means a resident of the United States owning land specified in an application pursuant to section 5, and includes an individual, legal guardian or family farm corporation as defined in Minnesota Statutes, Section 500.24, having a joint or common interest in the land. Where land is subject to a contract for deed, owner means the vendor in agreement with the vendee.

Subd. 10. "Quarter/quarter" means one quarter of one quarter of any section in the rectangular land survey system.

Sec. 3. [ELIGIBILITY.] Subdivision 1. Long term agricultural land comprising 40 or more acres shall be eligible for designation as an agricultural preserve.

Subd. 2. Noncontiguous parcels may be included to achieve the minimum acreage requirement in subdivision 1, provided that each parcel is at least ten acres in size and provided that all separate parcels are farmed together as a unit.

Subd. 3. The minimum acreage requirement in subdivision 1 may be reduced to 35 acres provided the land is a single quarter/quarter parcel and the amount less than 40 acres is due to a public road right-of-way or a perturbation in the rectangular survey system resulting in a quarter/quarter of less than 40 acres.

Subd. 4. Contiguous long term agricultural land comprising not less than 20 acres and surrounded by eligible land on not less than two sides shall be eligible for designation as an agricultural preserve provided the authority by resolution determines that: (i) the land area predominantly comprises Class I, II, III, or irrigated Class IV land according to the Land Capability Classification Systems of the Soil Conservation Service and the county soil survey; (ii) the land area is considered by the authority to be an essential part of the agricultural region; and (iii) the parcel was a parcel of record prior to January 1, 1980, or the land was an agricultural preserve prior to becoming a separate parcel of at least 20 acres.

Subd. 5. Contiguous long term agricultural land meeting the total acreage requirements of this section but located in two or

more authorities so that the minimum acreage requirement is not met in one or more of the authorities shall be eligible by joint resolution of the affected authorities.

Sec. 4. [CERTIFICATION.] *Subdivision 1. On or before January 1, 1981 each authority in the metropolitan area having land classified agricultural pursuant to Minnesota Statutes, Section 273.13 shall certify by resolution using appropriate maps which lands, if any, are eligible for designation as agricultural preserves. Maps shall be in sufficient detail to identify eligible lands by property boundaries. Notification of the certification shall be published in a newspaper having a general circulation within the area of jurisdiction of the authority. No additional lands shall qualify for designation as agricultural preserves until the authority certifies qualification.*

Subd. 2. Land shall cease to be eligible for designation as an agricultural preserve when the comprehensive plan and zoning for the land have been amended so that the land is no longer planned for long term agricultural use and is no longer zoned for long term agricultural use, evidenced by a maximum residential density permitting more than one unit per 40 acres. When changes have been made, the authority shall certify by resolution and appropriate maps which lands are no longer eligible. Notification of the decertification shall be published in a newspaper having a general circulation within the area of jurisdiction of the authority.

Subd. 3. The authority shall provide the metropolitan council with suitable maps showing any lands certified eligible pursuant to subdivision 1 or decertified pursuant to subdivision 2. The metropolitan council shall maintain maps of the metropolitan area showing all certified long term agricultural lands.

Sec. 5. [APPLICATION; COVENANT AGREEMENT.] *Subdivision 1. An owner or owners of certified long term agricultural land may apply to the authority with jurisdiction over the land on forms provided by the commissioner of agriculture for the creation of an agricultural preserve at any time. Land for which application is received prior to March 1 of any year shall be assessed pursuant to section 10 for taxes payable in the following year. Land for which application is received on or after March 1 of any year shall be assessed pursuant to section 10 in the following year. The application shall contain at least the following information and such other information as the commissioner deems necessary:*

(a) *Legal description of the area proposed to be designated or parcel identification numbers as designated by the county auditor;*

(b) *Name and address of owner;*

(c) *An affidavit by the authority evidencing that the land is certified long term agricultural land at the date of application;*

(d) *A witnessed signature of the owner covenanting that the land shall be kept in agricultural use, and shall be used in accordance with the provisions of sections 2 to 17 which exist on the date of application;*

(e) *A statement that the restrictive covenant shall be binding on the owner or his successor or assignee, and shall be an easement running with the land;*

(f) *Date of application and date that designation is effectuated.*

Subd. 2. The authority may require an application fee, not to exceed \$50, to defray administrative costs.

Sec. 6. [NOTIFICATION.] *Subdivision 1. Within five days of the date of application, the authority shall forward copies of the completed and signed application to the county recorder, the county auditor, the county assessor, the metropolitan council, and the county soil and water conservation district.*

Subd. 2. The county recorder shall file and record the restrictive covenant.

Subd. 3. The county auditor, for taxes payable in the following year and thereafter for the duration of the preserve, shall determine mill rates, assessments and taxes involving the preserve according to the provisions of section 10.

Subd. 4. The county assessor, for taxes payable in the following calendar year and thereafter for the duration of the preserve, shall value and assess the agricultural preserve according to section 10.

Subd. 5. The metropolitan council shall maintain agricultural preserve maps, illustrating (a) certified long term agricultural lands; and (b) lands covenanted as agricultural preserves. The council shall make yearly reports to the state planning agency and such other agencies as the council deems appropriate.

Subd. 6. County auditors shall maintain records of the taxes assessed and paid on agricultural preserves in a manner prescribed by the commissioner of revenue for the orderly monitoring of the program.

Subd. 7. The county soil and water conservation district may prepare an advisory statement of existing and potential

conservation problems for the agricultural preserve land. The statement shall be forwarded to the owner of record and a copy of the statement shall be forwarded to the authority.

Sec. 7. [COMMENCEMENT OF PRESERVE.] A land area shall be deemed an agricultural preserve and subject to all the benefits and restrictions of sections 2 to 17 commencing 30 days from the date of application.

Sec. 8. [DURATION.] Subdivision 1. Agricultural preserves shall continue until either the landowner or the authority initiates expiration as provided in this section.

Subd. 2. A landowner may initiate expiration by notifying the authority on a form provided by the commissioner of agriculture. The notice shall describe the property for which expiration is desired and shall state the date of expiration which shall be at least eight years from the date of notice. The notice and expiration may be rescinded by the owner at any time during the first two years following notice.

Subd. 3. The authority may initiate expiration by notifying the landowner by registered letter on a form provided by the commissioner of agriculture, provided that before notification (i) the comprehensive plan and the zoning for the land have been officially amended so that the land is no longer planned for long term agriculture and is no longer zoned for long term agriculture, evidenced by a maximum residential density permitting more than one unit per quarter/quarter, and (ii) the authority has certified such changes pursuant to section 4, subdivision 2. The notice shall describe the property for which expiration is desired and shall state the date of expiration which shall be at least eight years from the date of notice.

Subd. 4. Upon receipt of the notice provided in subdivision 2, or upon notice served by the authority as provided in subdivision 3, the authority shall notify the county recorder, county auditor, county assessor, the metropolitan council, and the county soil and water conservation district of the date of expiration. Designation as an agricultural preserve and all benefits and limitations accruing through sections 2 to 17 for the preserve shall cease on the date of expiration.

Sec. 9. [EARLY TERMINATION.] Termination of an agricultural preserve earlier than a date derived through application of section 8 may be permitted only in the event of a public emergency upon petition from the owner or authority to the governor. The determination of a public emergency shall be by the governor through executive order pursuant to Minnesota Statutes, Sections 4.035 and 12.01 to 12.46. The executive order shall identify the preserve, the reasons requiring the action and the date of termination.

Sec. 10. [AD VALOREM PROPERTY TAXES.] *Subdivision 1. Real property within an agricultural preserve shall be valued and assessed pursuant to Minnesota Statutes, Chapter 273, except as provided in this section.*

Subd. 2. All land classified agricultural and in agricultural use, exclusive of buildings, shall be valued solely with reference to its appropriate agricultural classification and value, notwithstanding Minnesota Statutes, Sections 272.03, Subdivision 8, and 273.11. In determining the value for ad valorem tax purposes the assessor shall not consider any added values resulting from nonagricultural factors.

Subd. 3. (a) After the assessor has determined the market value of all land valued according to subdivision 2, he shall compute the assessed value of those properties by applying the appropriate classification percentages. When the county auditor computes the rate of tax pursuant to Minnesota Statutes, Section 275.09, he shall include the assessed value of land as provided in this clause.

(b) The county auditor shall compute the tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times the total rate of tax for all purposes as provided in clause (a).

(c) The county auditor shall then compute the maximum ad valorem property tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times 105 percent of the previous year's statewide average mill rate levied on property located within townships for all purposes.

(d) The tax due and payable by the owner of preserve land valued according to subdivision 2 and nonresidential buildings will be the amount determined in clause (b) or (c), whichever is less. If the gross tax in clause (c) is less than the gross tax in clause (b), the state shall reimburse the taxing jurisdictions for the amount of difference. Residential buildings shall continue to be valued and classified according to the provisions of Minnesota Statutes, Sections 273.11 and 273.13, as they would be in the absence of this section, and the tax on those buildings shall not be subject to the limitation contained in this clause.

The county auditor shall certify to the commissioner of revenue on or before June 1, 1983, and each year thereafter, the total amount of tax lost to the taxing jurisdictions located within his county as a result of this subdivision. Payments shall be made by the state annually on or before July 15, 1983 and each year thereafter to each of the affected taxing jurisdictions. There is annually appropriated from the general fund in the state treasury to the commissioner of revenue an amount sufficient to make the reimbursement provided in this subdivision. This sec-

tion shall be effective for taxes levied in 1982, payable in 1983 and thereafter.

Sec. 11. [LIMITATION ON CERTAIN PUBLIC PROJECTS.] *Notwithstanding Minnesota Statutes, Chapter 429, construction projects for public sanitary sewer systems and public water systems benefiting land or buildings in agricultural preserves shall be prohibited. New connections between land or buildings in agricultural preserves and sanitary sewers or water systems shall be prohibited. Public sanitary sewer or water systems built in the vicinity of agricultural preserves are deemed of no benefit to the land and buildings in agricultural preserves.*

Sec. 12. [PROTECTION FOR NORMAL FARM PRACTICES.] *Local governments and counties shall be prohibited from enacting ordinances or regulations within an agricultural preserve which would unreasonably restrict or regulate normal farm structures or farm practices in contravention of the purpose of sections 2 to 17 unless the restriction or regulation bears a direct relationship to the public health and safety. This section shall apply to the operation of farm vehicles and machinery in the planting, maintenance and harvesting of crops and in the care and feeding of farm animals, the type of farming, and the design of farm structures, exclusive of residences.*

Sec. 13. [STATE AGENCIES TO BE SUPPORTIVE.] *Subdivision 1. It shall be the policy of all state agencies to encourage the maintenance of viable farming in agricultural preserves.*

Subd. 2. The joint legislative committee on agricultural land preservation shall undertake a study of state agency rules which negatively affect long term agricultural lands. The committee shall identify any state rules which favor nonagricultural development and adversely affect the long term nature of farming in an agricultural preserve. For any rules so identified, the committee shall propose modifications for application to agricultural preserves encourage agriculture as the primary and long term use of land within an agricultural preserve while protecting the health, safety, and welfare of the public. The committee shall make a report on this study to the legislature by January 1, 1982.

Sec. 14. [ANNEXATION PROCEEDINGS.] *Agricultural preserve land within a township shall not be annexed to a municipality pursuant to Minnesota Statutes, Chapter 414, without a specific finding by the Minnesota municipal board that either (a) the expiration period as provided for in section 8 has begun; (b) the surviving unit of government due to size, tax base, population or other relevant factors would not be able to provide normal governmental functions and services; or (c) the agricultural preserve would be completely surrounded by lands within a municipality.*

This section shall not apply to annexation agreements approved by the Minnesota municipal board prior to creation of the preserve.

Sec. 15. [EMINENT DOMAIN ACTIONS.] *Subdivision 1. Any agency of the state, any public benefit corporation, any local, county or regional unit of government, or any other entity possessing powers of eminent domain under Minnesota Statutes, Chapter 117, shall follow the procedures contained in this section before (1) acquiring any land or easement having a gross area over ten acres in size within agricultural preserves; or (2) advancing a grant, loan, interest subsidy or other funds for the construction of dwellings, commercial or industrial facilities, or water or sewer facilities that could be used to serve nonfarm structures within agricultural preserves.*

Subd. 2. At least 60 days prior to an action described in subdivision 1, notice of intent shall be filed with the environmental quality board containing information and in the manner and form required by the environmental quality board. The notice of intent shall contain a report justifying the proposed action, including an evaluation of alternatives which would not require acquisition within agricultural preserves.

Subd. 3. The environmental quality board, in consultation with affected units of government, shall review the proposed action to determine the effect of the action on the preservation and enhancement of agriculture and agricultural resources within the preserves and the relationship to local and regional comprehensive plans.

Subd. 4. If the environmental quality board finds that the proposed action might have an unreasonable effect on an agricultural preserve or preserves, the environmental quality board shall issue an order within the 60 day period for the party to desist from such action for an additional 60 day period.

Subd. 5. During the additional 60 day period, the environmental quality board shall hold a public hearing concerning the proposed action at a place within the affected preserve or otherwise easily accessible to the preserve upon notice in a newspaper having a general circulation within the area of the preserves, and individual notice, in writing, to the municipalities whose territory encompasses the preserves, the agency, corporation or government proposing to take the action, and any public agency having the power of review of or approval of the action, in a manner conducive to the wide dissemination of the findings to the public.

Subd. 6. The review process required in this section may be conducted jointly with any other environmental impact review conducted by the environmental quality board.

Subd. 7. *The environmental quality board may request the attorney general to bring an action to enjoin any agency, corporation or government from violating the provisions of this section.*

Subd. 8. *This section shall not apply to an emergency project which is immediately necessary for the protection of life and property.*

Subd. 9. *The environmental quality board shall be empowered to suspend any eminent domain action for up to one year which it determines to be contrary to the purposes of sections 2 to 17 and for which it determines there are feasible and prudent alternatives which have less negative impact on the agricultural preserves.*

Sec. 16. [CONSERVATION.] *Subdivision 1. Land within an agricultural preserve shall be farmed and otherwise managed according to sound soil and water conservation management practices. Management practices which are not sound shall be any use of the land resulting in wind or water erosion in excess of the soil loss tolerance for each soil type as found in the United States soil conservation service, Minnesota technical guide.*

Subd. 2. *The authority shall be responsible for enforcing this section. Upon receipt of a written complaint stating the conditions or land management practices which are believed to be in violation of this section, the authority shall consult with the county soil and water conservation district. The district shall determine the average soil loss in tons per acre per year for each field cited in the complaint according to the universal soil loss equation and the wind erosion equation, and shall return to the authority a report showing the average soil loss in tons per acre per year for each field and a list of alternative practices that the landowner can use to reduce the soil loss to the limit allowed in subdivision 1. After consultation, and if in the judgment of the authority the land is not being managed properly as required by this section, the authority shall adopt a resolution to this effect and shall seek corrective measures from the owner. At the request of the landowner, the district shall assist in the planning, design and application of the practices selected to reduce the soil loss to an acceptable level and shall give such landowners a high priority for providing technical and cost share assistance.*

Subd. 3. *Any owner who fails to implement corrective measures to the satisfaction of the authority within one year of notice from the authority shall be subject to a fine of not more than \$1,000. The authority may recover the penalty by a civil action in a court of competent jurisdiction.*

Subd. 4. *Costs incurred by the authority in the enforcement of this section may be charged to the property owner. Charges*

not timely paid may be placed on the tax rolls and collected as a special assessment against the property.

Sec. 17. [LAND USE.] *Subdivision 1. Land within an agricultural preserve shall be maintained for agricultural production. The average maximum density of residential structures within an agricultural preserve shall not exceed one unit per 40 acres. The location of any new structure shall conform to locally applicable zoning regulations. Commercial and industrial uses shall not be permitted except that small on-farm commercial or industrial operations normally associated with and important to farming in the area may be permitted by the authority. The authority shall be responsible for enforcing this section.*

Subd. 2. When a separate parcel is created for a residential structure permitted under subdivision 1, the parcel shall cease to be an agricultural preserve unless the eligibility requirements of section 3 are met. However, the residential unit shall continue to be included in the maximum residential density for the original preserve.

Sec. 18. Minnesota Statutes 1978, Section 462.351, is amended to read:

462.351 [MUNICIPAL PLANNING AND DEVELOPMENT; STATEMENT OF POLICY.] The legislature finds that municipalities are faced with mounting problems in providing means of guiding future development of lands so as to insure a safer, more pleasant and more economical environment for residential, commercial, industrial and public activities, to preserve agricultural and other open lands, and to promote the public health, safety, (MORALS) and general welfare. Municipalities can prepare for anticipated changes and by such preparations bring about significant savings in both private and public expenditures. Municipal planning, by providing public guides to future municipal action, enables other public and private agencies to plan their activities in harmony with the municipality's plans. Municipal planning will assist in developing lands more wisely to serve citizens more effectively, will make the provision of public services less costly, and will achieve a more secure tax base. It is the purpose of sections 462.351 to 462.364 to provide municipalities, in a single body of law, with the necessary powers and a uniform procedure for adequately conducting and implementing municipal planning.

Sec. 19. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 12. "Subdivision" means the separation of an area, parcel, or tract of land under single ownership into two or more parcels, tracts, lots, or long-term leasehold interests where the creation of the leasehold interest necessitates the creation of

streets, roads, or alleys, for residential, commercial, industrial, or other use or any combination thereof, except those separations:

(a) *Where all the resulting parcels, tracts, lots, or interests will be 20 acres or larger in size and 500 feet in width for residential uses and five acres or larger in size for commercial and industrial uses;*

(b) *Creating cemetery lots;*

(c) *Resulting from court orders, or the adjustment of a lot line by the relocation of a common boundary.*

Sec. 20. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 14. "Plat" means the drawing or map of a subdivision prepared for filing of record pursuant to chapter 505 and containing all elements and requirements set forth in applicable local regulations adopted pursuant to section 462.358 and chapter 505.

Sec. 21. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 15. "Subdivision regulation" means an ordinance adopted pursuant to section 462.358 regulating the subdivision of land.

Sec. 22. Minnesota Statutes 1978, Section 462.352 is amended by adding a subdivision to read:

Subd. 16. "Official controls" or "controls" means ordinances and regulations which control the physical development of a city, county or town or any part thereof or any detail thereof and implement the general objectives of the comprehensive plan. Official controls may include ordinances establishing zoning, subdivision controls, site plan regulations, sanitary codes, building codes and official maps.

Sec. 23. Minnesota Statutes 1978, Section 462.352, is amended by adding a subdivision to read:

Subd. 17. "Preliminary approval" means official action taken by a municipality on an application to create a subdivision which establishes the rights and obligations set forth in section 462.358 and the applicable subdivision regulation. In accordance with section 462.358, and unless otherwise specified in the applicable subdivision regulation, preliminary approval may be granted only following the review and approval of a preliminary plat or other map or drawing establishing without limitation the number, layout, and location of lots, tracts, blocks, and parcels to be created, location of streets, roads, utilities and facili-

ties, park and drainage facilities, and lands to be dedicated for public use.

Sec. 24. Minnesota Statutes 1978, Section 462.355, Subdivision 4, is amended to read:

Subd. 4. [INTERIM ORDINANCE.] If a municipality is conducting (OR IN GOOD FAITH INTENDS TO CONDUCT) studies (WITHIN A REASONABLE TIME) or *has authorized a study to be conducted or has held or has scheduled a hearing for the purpose of considering adoption or amendment of a comprehensive plan or official controls as defined in section (473.-852) 462.352, subdivision 16, or if new territory for which plans or controls have not been adopted is annexed to a municipality, the governing body of the municipality may adopt an interim ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning process and the health, safety and welfare of its citizens. The interim ordinance may regulate, restrict or prohibit any use (OR), development, or subdivision within the jurisdiction or a portion thereof for a period not to exceed one year from the date it is (CREATED) effective, and may be (RENEWED) extended for (ONE ADDITIONAL YEAR) such additional periods as the municipality may deem appropriate, not exceeding a total additional period of 18 months. No interim ordinance may halt, delay, or impede a subdivision which has been given preliminary approval prior to the effective date of the interim ordinance.*

Sec. 25. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 1a. [AUTHORITY.] *To protect and promote the public health, safety, and general welfare, to provide for the orderly, economic, and safe development of land, to preserve agricultural lands, to promote the availability of housing affordable to persons and families of all income levels, and to facilitate adequate provision for transportation, water, sewage, storm drainage, schools, parks, playgrounds, and other public services and facilities, a municipality may by ordinance adopt subdivision regulations establishing standards, requirements, and procedures for the review and approval or disapproval of subdivisions. The regulations may contain varied provisions respecting, and be made applicable only to, certain classes or kinds of subdivisions. The regulations shall be uniform for each class or kind of subdivision.*

A municipality may by resolution extend the application of its subdivision regulations to unincorporated territory located within two miles of its limits in any direction but not in a town which has adopted subdivision regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the subdivision of land equal distance from its boundaries within this area. However, if a municipality extends the application of its subdivision or zoning regulations to unincorporated territory, upon the pe-

tition of any county board or town board affected by the subdivision or zoning regulations, a joint board shall be established consisting of a three-member committee with one member appointed from each of the municipal, town and county governing bodies. This joint board shall adopt zoning and subdivision regulations under Minnesota Statutes, Sections 462.351 to 462.364 for the entire area within two miles of the city located within a town, and designate one of the governing bodies to serve as the governing body and board of appeals and adjustment for purposes of sections 462.357 and 462.358 within the area. During the time before the joint board adopts subdivision regulations, the subdivision regulations which the municipality has extended shall apply.

Sec. 26. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 2a. [TERMS OF REGULATIONS.] The standards and requirements in the regulations may address without limitation: the size, location, grading, and improvement of lots, structures, public areas, streets, roads, trails, walkways, curbs and gutters, water supply, storm drainage, lighting, sewers, electricity, gas, and other utilities; the planning and design of sites; access to solar energy; and the protection and conservation of flood plains, shore lands, soils, water, vegetation, energy, air quality, and geologic and ecologic features. The regulations shall require that subdivisions be consistent with the municipality's official map if one exists and its zoning ordinance, and may require consistency with other official controls and the comprehensive plan. The regulations may prohibit certain classes or kinds of subdivisions in areas where prohibition is consistent with the comprehensive plan and the purposes of this section, particularly the preservation of agricultural lands. The regulations may prohibit the issuance of building permits for any tracts, lots, or parcels for which required subdivision approval has not been obtained. The regulations may permit the municipality to condition its approval on the construction and installation of sewers, streets, electric, gas, drainage, and water facilities, and similar utilities and improvements or, in lieu thereof, on the receipt by the municipality of a cash deposit, certified check, irrevocable letter of credit, or bond in an amount and with surety and conditions sufficient to assure the municipality that the utilities and improvements will be constructed or installed according to the specifications of the municipality. The regulations may permit the municipality to condition its approval on compliance with other requirements reasonably related to the provisions of the regulations and to execute development contracts embodying the terms and conditions of approval. The municipality may enforce such agreements and conditions by appropriate legal and equitable remedies.

Sec. 27. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 2b. [DEDICATION.] The regulations may require that a reasonable portion of any proposed subdivision be dedicated to the public or preserved for public use as streets, roads, sewers, electric, gas, and water facilities, storm water drainage and holding areas or ponds and similar utilities and improvements.

In addition, the regulations may require that a reasonable portion of any proposed subdivision be dedicated to the public or preserved for public use as parks, playgrounds, trails, or open space; provided that (a) the municipality may choose to accept an equivalent amount in cash from the applicant for part or all of the portion required to be dedicated to such public uses or purposes based on the fair market value of the land no later than at the time of final approval, (b) any cash payments received shall be placed in a special fund by the municipality used only for the purposes for which the money was obtained, (c) in establishing the reasonable portion to be dedicated, the regulations may consider the open space, park, recreational, or common areas and facilities which the applicant proposes to reserve for the subdivision, and (d) the municipality reasonably determines that it will need to acquire that portion of land for the purposes stated in this paragraph as a result of approval of the subdivision.

Sec. 28. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 3a. [PLATTING.] The regulations may require that any subdivision creating parcels, tracts, or lots, shall be platted. The regulations shall require that all subdivisions which create five or more lots or parcels which are 2-1/2 acres or less in size shall be platted. The regulations shall not conflict with the provisions of chapter 505 but may address subjects similar and additional to those in that chapter.

Sec. 29. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 3b. [REVIEW PROCEDURES.] The regulations shall include provisions regarding the content of applications for proposed subdivisions, the preliminary and final review and approval or disapproval of applications, and the coordination of such reviews with affected political subdivisions and state agencies. The regulations may provide for the consolidation of the preliminary and final review and approval or disapproval of subdivisions. Preliminary or final approval may be granted or denied for parts of subdivision applications. The regulations may prescribe fees sufficient to defray the costs incurred by the municipality in the review and investigation of and actions upon such applications. The regulations may delegate the authority to review proposals to the planning commission, but final approval or disapproval shall be the decision of the governing body of the municipality unless otherwise provided by law

or charter. The regulations shall require that a public hearing shall be held on all subdivision applications prior to preliminary approval, unless otherwise provided by law or charter. The hearing shall be held following publication of notice of the time and place thereof in the official newspaper at least ten days before the day of the hearing. At the hearing, all persons interested shall be given an opportunity to make presentations. A subdivision application shall be preliminarily approved or disapproved within 120 days following delivery of an application completed in compliance with the municipal ordinance by the applicant to the municipality, unless an extension of the review period has been agreed to by the applicant. When a division or subdivision to which the regulations of the municipality do not apply is presented to the city, the clerk of the municipality shall within ten days certify that the subdivision regulations of the municipality do not apply to the particular division.

If the municipality or the responsible agency of the municipality fails to preliminarily approve or disapprove an application within the review period, the application shall be deemed preliminarily approved, and upon demand the municipality shall execute a certificate to that effect. Following preliminary approval the applicant may request final approval by the municipality, and upon such request the municipality shall certify final approval within 60 days if the applicant has complied with all conditions and requirements of applicable regulations and all conditions and requirements upon which the preliminary approval is expressly conditioned either through performance or the execution of appropriate agreements assuring performance. If the municipality fails to certify final approval as so required, and if the applicant has complied with all conditions and requirements, the application shall be deemed finally approved, and upon demand the municipality shall execute a certificate to that effect. After final approval a subdivision may be filed or recorded.

Sec. 30. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 3c. [EFFECT OF SUBDIVISION APPROVAL.] For one year following preliminary approval and for two years following final approval, unless the subdivider and the municipality agree otherwise, no amendment to a comprehensive plan or official control shall apply to or affect the use, development density, lot size, lot layout, or dedication or platting required or permitted by the approved application. Thereafter, pursuant to its regulations, the municipality may extend the period by agreement with the subdivider and subject to all applicable performance conditions and requirements, or it may require submission of a new application unless substantial physical activity and investment has occurred in reasonable reliance on the approved application and the subdivider will suffer substantial financial damage as a consequence of a requirement to submit a new application. In connection with a subdivision involving

planned and staged development, a municipality may by resolution or agreement grant the rights referred to herein for such periods of time longer than two years which it determines to be reasonable and appropriate.

Sec. 31. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 4a. [DISCLOSURE BY SELLER; BUYER'S ACTION FOR DAMAGES.] A person conveying a new parcel of land which, or the plat for which, has not previously been filed or recorded, and which is part of or would constitute a subdivision to which adopted municipal subdivision regulations apply, shall attach to the instrument of conveyance either: (a) recordable certification by the clerk of the municipality that the subdivision regulations do not apply, or that the subdivision has been approved by the governing body, or that the restrictions on the division of taxes and filing and recording have been waived by resolution of the governing body of the municipality in this case because compliance will create an unnecessary hardship and failure to comply will not interfere with the purpose of the regulations; or (b) a statement which names and identifies the location of the appropriate municipal offices and advises the grantee that municipal subdivision and zoning regulations may restrict the use or restrict or prohibit the development of the parcel, or construction on it, and that the division of taxes and the filing or recording of the conveyance may be prohibited without prior recordable certification of approval, nonapplicability, or waiver from the municipality. In any action commenced by a buyer of such a parcel against the seller thereof, the misrepresentation of or the failure to disclose material facts in accordance with this subdivision shall be grounds for damages. If the buyer establishes his right to damages, a district court hearing the matter may in its discretion also award to the buyer an amount sufficient to pay all or any part of the costs incurred in maintaining the action, including reasonable attorney fees, and an amount for punitive damages not exceeding five per centum of the purchase price of the land.

Sec. 32. Minnesota Statutes 1978, Section 462.358, Subdivision 4, is amended to read:

Subd. 4b. [RESTRICTIONS ON FILING AND RECORDING CONVEYANCES.] In a municipality in which subdivision regulations are in force and have been filed or recorded as provided in this section, no conveyance of land to which the regulations are applicable shall be filed or recorded, if the land is described in the conveyance by metes and bounds or by reference to an unapproved registered land survey made after April 21, 1961 or to an unapproved plat made after such regulations become effective. The foregoing provision does not apply to a conveyance if the land described:

(1) was a separate parcel of record April 1, 1945 or the date of adoption of subdivision regulations under Laws 1945, Chapter 287, whichever is the later, or of the adoption of subdivision regulations pursuant to a home rule charter, or

(2) was the subject of a written agreement to convey entered into prior to such time,

(3) was a separate parcel of not less than two and one-half acres in area and 150 feet in width on January 1, 1966, or

(4) was a separate parcel of not less than five acres in area and 300 feet in width on July 1, 1980, or

((4)) (5) is a single parcel of *commercial or industrial* land of not less than five acres and having a width of not less than 300 feet and its conveyance does not result in the division of the parcel into two or more lots or parcels, any one of which is less than five acres in area or 300 feet in width (.), or

(6) is a single parcel of *residential or agricultural* land of not less than 20 acres and having a width of not less than 500 feet and its conveyance does not result in the division of the parcel into two or more lots or parcels, any one of which is less than 20 acres in area or 500 feet in width.

In any case in which compliance with the foregoing restrictions will create an unnecessary hardship and failure to comply does not interfere with the purpose of the subdivision regulations, the platting authority may waive such compliance by adoption of a resolution to that effect and the conveyance may then be filed or recorded. Any owner or agent of the owner of land who conveys a lot or parcel in violation of the provisions of this subdivision shall forfeit and pay to the municipality a penalty of not less than \$100 for each lot or parcel so conveyed. A municipality may enjoin such conveyance or may recover such penalty by a civil action in any court of competent jurisdiction.

Sec. 33. Minnesota Statutes 1978, Section 462.358, is amended by adding a subdivision to read:

Subd. 9. [LIMITATIONS.] Nothing in this section shall be construed to require a municipality to regulate subdivisions or to regulate all subdivisions which it is authorized to regulate by this section.

Sec. 34. [EXTENSION OF TIME FOR COMPLIANCE.] *Any municipality which has in effect on or before the effective date of this act an ordinance for subdivision controls may elect not to come into compliance with any change in subdivision regulations as may be required by this act until such time as the ordinance for subdivision controls is next amended.*

Sec. 35. *Minnesota Statutes 1978, Sections 462.352, Subdivision 4; and 462.358, Subdivisions 1, 2, and 3 are repealed.*

Sec. 36. [EFFECTIVE DATE.] *Sections 1 to 17 are effective on June 1, 1980."*

Further amend the title by deleting it in its entirety and inserting:

"A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing for municipal planning; authorizing regulation of subdivisions; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Sections 462.351; 462.352, by adding subdivisions; 462.355, Subdivision 4; 462.358, Subdivision 4, and by adding subdivisions; repealing Minnesota Statutes 1978, Sections 462.352, Subdivision 4; and 462.358, Subdivisions 1, 2 and 3."

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

House Conferees: WILLIAM SCHREIBER, CONNIE M. LEVI and JAMES R. CASSERLY.

Senate Conferees: GERRY SIKORSKI, GENE MERRIAM and STEVE ENGLER.

Schreiber moved that the report of the Conference Committee on H. F. No. 1612 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1612, A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing property tax relief; excepting the conveyance of certain land from restrictions on the filing and recording of conveyances; modifying the policy statement for municipal planning and development; appropriating money; amending Minnesota Statutes 1978, Sections 462.351; and 462.358, Subdivision 4.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 73 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Adams	Berkelman	Crandall	Haukoos	Jude
Anderson, B.	Blatz	Ellingson	Heap	Kempe
Anderson, D.	Brinkman	Evans	Heinitz	Knickerbocker
Anderson, G.	Carlson, D.	Ewald	Hoberg	Kostohryz
Anderson, R.	Carlson, L.	Forsythe	Hokanson	Kvam
Berglin	Clark	Fudro	Johnson, C.	Laidig

Lehto	Nelson	Peterson, D.	Searle	Valan
Levi	Norman	Pleasant	Searles	Valento
Long	Novak	Reding	Sherwood	Vanasek
Mann	Olsen	Rees	Sieben, M.	Weaver
McCarron	Osthoff	Reif	Simoneau	Wenzel
McDonald	Otis	Rose	Stadum	Wynia
Minne	Patton	Rothenberg	Stoa	Spkr. Norton
Munger	Pehler	Sarna	Stowell	
Murphy	Peterson, B.	Schreiber	Sviggum	

Those who voted in the negative were:

Aasness	Den Ouden	Jacobs	Metzen	Tomlinson
Ainley	Drew	Jennings	Nelsen, B.	Waldorf
Albrecht	Elioff	Johnson, D.	Niehaus	Welch
Anderson, I.	Erickson	Kaley	Onnen	Welker
Battaglia	Esau	Kalis	Piepho	Wieser
Begich	Faricy	Kroening	Prahl	Wigley
Biersdorf	Fjoslien	Ludeman	Redalen	Zubay
Byrne	Friedrich	Luknic	Rice	
Clawson	Fritz	McEachern	Rodriguez	
Dempsey	Greenfield	Mehrkens	Thiede	

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1435

A bill for an act relating to health; exempting out of state physicians from licensing regulations under certain conditions; amending Minnesota Statutes 1978, Section 147.09.

April 1, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1435, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments, and that H. F. No. 1435 be further amended as follows:

Page 2, after line 7, insert:

“Sec. 2. [REPEALER.] Minnesota Statutes 1978, Sections 144.59; 144.60; 144.61; 144.62; 144.63; 144.64; and 144.65 are repealed.”

Renumber sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "abolishing the hospital administrator registration program;"

Page 1, line 5, before the period, insert "; repealing Minnesota Statutes 1978, Sections 144.59 to 144.65"

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

House Conferees: MARY M. FORSYTHE, ROBERT W. REIF and PAUL McCARRON.

Senate Conferees: DELORES J. KNAAK, GENE MERRIAM and JEROME GUNDERSON.

Forsythe moved that the report of the Conference Committee on H. F. No. 1435 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1435, A bill for an act relating to health; exempting out of state physicians from licensing regulations under certain conditions; amending Minnesota Statutes 1978, Section 147.09.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kostohryz	Olsen	Sieben, M.
Adams	Esau	Kroening	Onnen	Simoneau
Ainley	Evans	Kvam	Osthoff	Stadum
Albrecht	Ewald	Laidig	Otis	Stoa
Anderson, D.	Faricy	Lehto	Patton	Stowell
Anderson, I.	Fjoslien	Levi	Pehler	Sviggum
Anderson, R.	Forsythe	Long	Peterson, B.	Swanson
Battaglia	Friedrich	Ludeman	Peterson, D.	Thiede
Begich	Fritz	Luknic	Piepho	Tomlinson
Berglin	Greenfield	Mann	Pleasant	Valan
Berkelman	Haukoos	McCarron	Prahl	Valento
Blatz	Heap	McDonald	Redalen	Vanasek
Brinkman	Hoberg	McEachern	Reding	Voss
Byrne	Hokanson	Mehrkens	Rees	Waldorf
Carlson, D.	Jacobs	Metzen	Reif	Weaver
Carlson, L.	Jennings	Minne	Rice	Welker
Cassery	Johnson, C.	Moe	Rodriguez	Wenzel
Clark	Johnson, D.	Munger	Rose	Wieser
Corbid	Jude	Murphy	Rothenberg	Wynia
Crandall	Kahn	Nelsen, B.	Sarna	Zubay
Dempsey	Kaley	Nelsen, M.	Schreiber	Spkr. Norton
Den Ouden	Kalis	Nelson	Searle	
Drew	Kelly	Niehaus	Searles	
Elioff	Kempe	Norman	Sherwood	
Ellingson	Knickerbocker	Novak	Sieben, H.	

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1662

A bill for an act relating to state government; providing for a demonstration job-sharing project in state government; appropriating money.

April 3, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1662, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1662 be amended as follows:

Page 2, lines 14 and 15, delete “, with the exception of the coordinator of this program”

Page 3, line 30, before “clause” insert “subdivision 2,”

Page 4, line 16, delete “or Minnesota” and insert “, the” and delete “as” and insert “, or the highway patrol retirement fund, whichever is”

Page 4, line 18, after “system” insert “or the highway patrol retirement fund”

Page 5, line 2, delete “to” and insert “shall”

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

House Conferees: LINDA BERGLIN, LONA A. MINNE and GARY W. LAIDIG.

Senate Conferees: EMILY A. STAPLES, TOM A. NELSON and HARMON T. OGDahl.

Berglin moved that the report of the Conference Committee on H. F. No. 1662 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1662, A bill for an act relating to state government; providing for a demonstration job-sharing project in state government; appropriating money.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 117 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kelly	Norman	Searles
Adams	Ellingson	Kempe	Novak	Sherwood
Anderson, B.	Erickson	Knickerbocker	Olsen	Sieben, H.
Anderson, D.	Esau	Kostohryz	Onnen	Sieben, M.
Anderson, G.	Evans	Kroening	Osthoff	Simoneau
Anderson, I.	Ewald	Laidig	Otis	Stadum
Anderson, R.	Faricy	Lehto	Patton	Stoa
Battaglia	Fjoslien	Levi	Pehler	Sviggum
Begich	Forsythe	Long	Peterson, B.	Tomlinson
Berglin	Friedrich	Luknic	Peterson, D.	Valan
Berkelman	Fritz	Mann	Piepho	Valento
Blatz	Fudro	McCarron	Pleasant	Vanasek
Brinkman	Greenfield	McDonald	Prahl	Voss
Byrne	Haukoos	McEachern	Redalen	Waldorf
Carlson, D.	Heap	Mehrkens	Reding	Weaver
Carlson, L.	Hoberg	Metzen	Rees	Welch
Casserly	Hokanson	Minne	Reif	Wenzel
Clark	Jacobs	Moe	Rice	Wieser
Clawson	Johnson, C.	Munger	Rodriguez	Wynia
Corbid	Johnson, D.	Murphy	Rose	Zubay
Crandall	Jude	Nelsen, B.	Rothenberg	Spkr. Norton
Dempsey	Kahn	Nelsen, M.	Sarna	
Den Ouden	Kaley	Nelson	Schreiber	
Drew	Kalis	Niehaus	Searle	

Those who voted in the negative were:

Ainley	Kvam	Stowell	Welker	Wigley
Jennings	Ludeman	Thiede		

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 729

A bill for an act relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 256B.35.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 729, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 729 be further amended as follows:

Page 1, line 19, delete "\$33" and insert "\$35"

Page 2, line 12, after "audits" insert "*at the same time as cost report audits required under section 256B.27, subdivision 2a, and at any other time but*"

Page 2, line 13, after "years" insert a comma

Page 2, lines 14 and 15, delete "*by the skilled nursing home or intermediate care facility*"

Page 2, lines 17 to 19, delete "*The field audits may be conducted at the same time as cost report audits required under section 256B.27, subdivision 2a.*"

Page 2, line 27, delete "shall" and insert "may"

Page 3, line 18, delete "\$540,000" and insert "\$452,500"

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

House Conferees: LEE GREENFIELD, JANET H. CLARK and JOHN DREW.

Senate Conferees: CONRAD M. VEGA, TOM A. NELSON and JOHN B. KEEFE.

Greenfield moved that the report of the Conference Committee on H. F. No. 729 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 729, A bill for an act relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 256B.35.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, B.	Anderson, R.	Biersdorf	Carlson, D.
Adams	Anderson, D.	Battaglia	Blatz	Carlson, L.
Ainley	Anderson, G.	Berglin	Brinkman	Casserly
Albrecht	Anderson, I.	Berkelman	Byrne	Clark

Clawson	Hoberg	Mann	Peterson, B.	Sviggum
Corbid	Hokanson	McCarron	Peterson, D.	Swanson
Crandall	Jacobs	McDonald	Piepho	Thiede
Dempsey	Jennings	McEachern	Pleasant	Tomlinson
Den Ouden	Johnson, C.	Mehrkens	Prahl	Valan
Drew	Johnson, D.	Metzen	Redalen	Valento
Eken	Jude	Minne	Reding	Vanasek
Elioff	Kahn	Moe	Rees	Voss
Ellingson	Kaley	Munger	Reif	Waldorf
Erickson	Kalis	Murphy	Rice	Weaver
Esau	Kelly	Nelsen, B.	Rodriguez	Welch
Evans	Kempe	Nelsen, M.	Rose	Welker
Ewald	Knickerbocker	Nelson	Rothenberg	Wenzel
Faricy	Kostohryz	Niehaus	Schreiber	Wieser
Fjoslien	Kroening	Norman	Searles	Wigley
Forsythe	Kvam	Novak	Sherwood	Wynia
Friedrich	Laidig	Olsen	Sieben, H.	Zubay
Fritz	Lehto	Onnen	Sieben, M.	Spk. Norton
Fudro	Levi	Osthoff	Simoneau	
Greenfield	Long	Otis	Stadum	
Haukoos	Ludeman	Patton	Stoa	
Heap	Luknic	Pehler	Stowell	

The bill was repassed, as amended by Conference, and its title agreed to.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Eken from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 1006, A bill for an act relating to the Eastern Itasca and Greenway Joint Recreation Boards; regulating their tax levies.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 1950, A bill for an act relating to towns in St. Louis County; providing a method for determining whether to open or maintain certain town roads.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1006 and 1950 were read for the second time.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, April 7, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, April 7, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 7, 1980

The House of Representatives convened at 2:00 p.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Eken	Kaley	Niehaus	Sieben, M.
Adams	Elioff	Kalis	Norman	Simoneau
Ainley	Ellingson	Kelly	Novak	Stadum
Albrecht	Erickson	Kempe	Nysether	Stoa
Anderson, B.	Esau	Knickerbocker	Olsen	Stowell
Anderson, D.	Evans	Kostohryz	Onnen	Sviggum
Anderson, G.	Ewald	Kroening	Osthoff	Swanson
Anderson, I.	Faricy	Kvam	Otis	Thiede
Anderson, R.	Fjoslien	Laidig	Patton	Tomlinson
Battaglia	Forsythe	Lehto	Pehler	Valan
Begich	Friedrich	Levi	Peterson, B.	Valento
Berglin	Fritz	Long	Peterson, D.	Vanasek
Berkelman	Fudro	Ludeman	Piepho	Voss
Biersdorf	Greenfield	Luknic	Pleasant	Waldorf
Blatz	Halberg	Mann	Prahl	Weaver
Brinkman	Haukoos	McCarron	Redalen	Welch
Byrne	Heap	McDonald	Reding	Welker
Carlson, D.	Heinitz	McEachern	Rees	Wenzel
Carlson, L.	Hoberg	Mehrkens	Rice	Wieser
Casserly	Hokanson	Metzen	Rodriguez	Wigley
Clark	Jacobs	Minne	Rose	Wynia
Clawson	Jaros	Moe	Rothenberg	Zubay
Corbid	Jennings	Munger	Sarna	Spkr. Norton
Crandall	Johnson, C.	Murphy	Schreiber	
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Sherwood	
Drew	Kahn	Nelson	Sieben, H.	

A quorum was present.

Dean, Reif and Searles were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. Nos. 140, 1762, 1941 and 1550 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 3, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 2314, relating to the legislative auditor; clarifying access to data;

H. F. No. 2262, relating to highway traffic regulations; including a constable within the meaning of the definition of peace officer in the implied consent law;

H. F. No. 753, relating to banks and banking; removing certain restrictions on services that may be offered at detached facilities;

H. F. No. 1824, relating to driver's licenses; providing for the disposition of the county fee in Dakota County.

H. F. No. 1090, relating to education; authorizing the state boards for community colleges and for vocational education to contract for certain insurance coverage for students;

H. F. No. 1871, relating to boundary waters; changing the terms of office of the Minnesota-Wisconsin boundary area commission; providing that the terms of commissioners shall be staggered; creating the South Dakota-Minnesota boundary waters commission; changing the duties of the commissioner of natural resources;

H. F. No. 1962, relating to motor vehicles; permitting the use of foreign state dealer plates in certain circumstances; restricting sales of new motor vehicles by wholesalers; authorizing the use of in-transit plates on used vehicles;

H. F. No. 1684, relating to state lands; providing for the conveyance of certain land to the cities of Virginia and Thief River Falls.

H. F. No. 1262, relating to the city of Breezy Point; relating to its tax levy for general purposes;

H. F. No. 1728, relating to snowmobiles; authorizing use in trapping related activities in certain counties;

H. F. No. 1949, relating to zoning; providing for notice of hearings; changing notice provisions for variance hearings;

H. F. No. 1996, relating to industrial development; providing for various energy related projects;

H. F. No. 1968, relating to claims against the state; appropriating money for the payment thereof.

H. F. No. 2152, relating to Carver county; applying the provisions of the municipal housing and redevelopment act to Carver county; providing for local approval of projects.

H. F. No. 1653, relating to public welfare; eliminating authorization for Minnesota State Children's Center;

H. F. No. 1286, relating to commerce; providing for the qualification of free distribution newspapers as legal newspapers;

H. F. No. 2028, relating to state government, clarifying benefits of employees of former Hastings state hospital.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 4, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
1736		435	April 3	April 3
1749		436	April 3	April 3
1764		437	April 3	April 3
1772		438	April 3	April 3
1789		439	April 3	April 3
1811		440	April 3	April 3
1813		441	April 3	April 3
1842		442	April 3	April 3
1853		443	April 3	April 3
1900		444	April 3	April 3
1922		445	April 3	April 3
1937		446	April 3	April 3
1962		447	April 3	April 3
1996		448	April 3	April 3
1997		449	April 3	April 3
2110		450	April 3	April 3
2067		451	April 3	April 3
2195		452	April 3	April 3
2265		453	April 3	April 3

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980.</i>	<i>Date Filed 1980</i>
210		454	April 3	April 3
654		455	April 3	April 3
744		456	April 3	April 3
975		457	April 3	April 3
1240		458	April 3	April 3
1293		459	April 3	April 3
1541		460	April 3	April 3
1611		461	April 3	April 3
1619		462	April 3	April 3
1630		463	April 3	April 3
1665		464	April 3	April 3
1679		465	April 3	April 3
1690		466	April 3	April 3
1734		467	April 3	April 3
	753	468	April 3	April 3
	1090	469	April 3	April 3
	1262	470	April 3	April 3
	1286	471	April 3	April 3
	1653	472	April 3	April 3
	1684	473	April 3	April 3
	1723	474	April 3	April 3
	1824	475	April 3	April 3
	1871	476	April 3	April 3
	1949	477	April 3	April 3

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	1962	478	April 3	April 3
	1963	479	April 3	April 3
	1996	480	April 3	April 3
	2028	481	April 3	April 3
	2152	482	April 3	April 3
	2262	483	April 3	April 3
	2314	484	April 3	April 3

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 4, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
2090		485	April 4	April 4

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced :

Searle introduced :

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; establishing a loan program for wood fuel conversion projects; authorizing issuance of state building bonds; appropriating money; amending Minnesota Statutes 1978, Sections 253.015; 121, by adding a section; 138, by adding a section; 198, by adding a section.

The bill was read for the first time and referred to the Committee on Appropriations.

Halberg and Hoberg introduced :

H. F. No. 2495, A bill for an act relating to the legislature; proposing an amendment to the Minnesota Constitution, Article XI, by adding a section; providing a constitutional limit on state appropriations; providing a statute implementing the amendment.

The bill was read for the first time and referred to the Committee on Appropriations.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned :

H. F. No. 1823, A bill for an act relating to transportation; permitting informational notations on recorded maps and plats; simplifying correction of errors on them; amending Minnesota Statutes 1978, Section 160.085, Subdivision 1, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 870, A bill for an act relating to education; requiring that certain schools provide a prospective student with a school catalog before accepting the student; providing in certain cases for tuition refunds from private business, trade, and correspondence schools that do not use written contracts; providing for certain exemptions under the private business, trade and correspondence school act; amending Minnesota Statutes 1978, Sections 141.25, Subdivision 9; 141.271, Subdivision 3, and by adding a subdivision; and 141.35.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

McEachern moved that the House concur in the Senate amendments to H. F. No. 870 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 870, A bill for an act relating to education; requiring that certain schools provide a prospective student with a school catalog before accepting the student; providing in certain cases for tuition refunds from private business, trade, and correspondence schools that do not use written contracts; providing for certain exemptions under the private business, trade and correspondence school act; amending Minnesota Statutes 1978, Sections 141.25, Subdivision 9; 141.271, Subdivision 3, and by adding a subdivision; and 141.35.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, L.	Fjoslien	Kahn	McDonald
Adams	Cassery	Forsythe	Kaley	McEachern
Ainley	Clark	Friedrich	Kalis	Mehrkens
Albrecht	Clawson	Fritz	Kelly	Metzen
Anderson, B.	Corbid	Fudro	Kempe	Minne
Anderson, D.	Crandall	Greenfield	Knickerbocker	Moe
Anderson, G.	Dempsey	Haukoos	Kostohryz	Munger
Anderson, I.	Den Ouden	Heap	Kroening	Murphy
Anderson, R.	Drew	Heinitz	Kvam	Nelsen, B.
Battaglia	Eken	Hoberg	Laidig	Nelsen, M.
Begich	Elioff	Hokanson	Lehto	Nelson
Berglin	Ellingson	Jacobs	Levi	Niehaus
Berkelman	Erickson	Jaros	Long	Norman
Biersdorf	Esau	Jennings	Ludeman	Novak
Blatz	Evans	Johnson, C.	Luknic	Nysether
Brinkman	Ewald	Johnson, D.	Mann	Olsen
Byrne	Faricy	Jude	McCarron	Onnen

Osthoff	Redalen	Schreiber	Swanson	Welch
Otis	Reding	Sherwood	Thiede	Welker
Patton	Rees	Sieben, H.	Tomlinson	Wenzel
Pehler	Rice	Sieben, M.	Valan	Wieser
Peterson, B.	Rodriguez	Simoneau	Valento	Wigley
Peterson, D.	Rose	Stadum	Voss	Wynia
Piepho	Rothenberg	Stowell	Waldorf	Zubay
Prahl	Sarna	Sviggum	Weaver	Spkr. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1838, A bill for an act relating to taxation; real property; clarifying the treatment of cooperatives and charitable corporations; amending Minnesota Statutes 1978, Section 273.133, Subdivision 1.

PATRICK E. FLAHAVERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Berglin moved that the House concur in the Senate amendments to H. F. No. 1838 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1838, A bill for an act relating to taxation; real property; providing for the assessment of neighborhood real estate trusts; clarifying the treatment of cooperatives and charitable corporations; allowing lending institutions and original sellers to qualify as tenant-stockholders of cooperative apartment corporations; amending Minnesota Statutes 1978, Sections 273.13, by adding a subdivision; 273.133, Subdivision 1; and 290.09, Subdivision 17, and by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 103 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Adams	Brinkman	Ellingson	Heinitz	Kelly
Anderson, B.	Byrne	Esau	Hoberg	Kempe
Anderson, D.	Carlson, L.	Evans	Hokanson	Knickerbocker
Anderson, G.	Casserly	Ewald	Jacobs	Kostohryz
Anderson, I.	Clark	Farcy	Jaros	Kroening
Anderson, R.	Clawson	Forsythe	Johnson, C.	Laidig
Battaglia	Corbid	Friedrich	Johnson, D.	Lehto
Begich	Dempsey	Fudro	Jude	Levi
Berglin	Drew	Greenfield	Kahn	Long
Berkelman	Eken	Halberg	Kaley	Luknic
Blatz	Elioff	Heap	Kalis	Mann

McCarron	Norman	Reding	Simoneau	Voss
McEachern	Novak	Rees	Stadum	Waldorf
Metzen	Oisen	Rice	Stoa	Weaver
Minne	Otis	Rodriguez	Stowell	Welch
Moe	Patton	Rose	Sviggum	Wenzel
Munger	Pehler	Rothenberg	Swanson	Wynia
Murphy	Peterson, B.	Sarna	Tomlinson	Zubay
Nelsen, B.	Peterson, D.	Schreiber	Valan	Spkr. Norton
Nelsen, M.	Pleasant	Sieben, H.	Valento	
Nelson	Prahl	Sieben, M.	Vanasek	

Those who voted in the negative were:

Aasness	Erickson	Ludeman	Osthoff	Welker
Ainley	Fjoslien	McDonald	Piepho	Wieser
Albrecht	Fritz	Mehrkens	Redalen	Wigley
Biersdorf	Haukoos	Niehaus	Searle	
Crandall	Jennings	Nysether	Sherwood	
Den Ouden	Kvam	Onnen	Thiede	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1995, A bill for an act relating to health care; excluding coverage of certain services in the Comprehensive Health Insurance Plan; extending the pre-existing condition period; qualifying certain services covered by the Catastrophic Health Expense Protection program; repealing certain provisions; amending Minnesota Statutes 1978, Section 62E.12; 62E.14, Subdivision 3; 62E.53, by adding a subdivision; and Laws 1979, Chapter 272, Section 12.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Swanson moved that the House concur in the Senate amendments to H. F. No. 1995 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1995, A bill for an act relating to health care; excluding coverage of certain services in the Comprehensive Health Insurance Plan; qualifying certain services covered by the Catastrophic Health Expense Protection program; repealing certain provisions; amending Minnesota Statutes 1978, Section 62E.12; 62E.53, by adding a subdivision; and Laws 1979, Chapter 272, Section 12.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kahn	Nelsen, M.	Sherwood
Adams	Elioff	Kaley	Nelson	Sieben, H.
Ainley	Ellingson	Kalis	Niehaus	Sieben, M.
Albrecht	Erickson	Kelly	Norman	Simoneau
Anderson, B.	Esau	Kempe	Novak	Stadum
Anderson, D.	Evans	Knickerbocker	Nysether	Stoa
Anderson, G.	Ewald	Kostohryz	Olsen	Stowell
Anderson, I.	Faricy	Kroening	Onnen	Sviggum
Anderson, R.	Fjoslien	Kvam	Osthoff	Swanson
Battaglia	Forsythe	Laidig	Otis	Thiede
Begich	Friedrich	Lehto	Patton	Tomlinson
Berglin	Fritz	Levi	Pehler	Valan
Berkelman	Fudro	Long	Peterson, B.	Valento
Biersdorf	Greenfield	Ludeman	Peterson, D.	Vanasek
Blatz	Halberg	Luknic	Piepfo	Voss
Brinkman	Haukoos	Mann	Prahl	Waldorf
Byrne	Heap	McCarron	Redalen	Weaver
Carlson, L.	Heinitz	McDonald	Reding	Welch
Casserly	Hoberg	McEachern	Rees	Welker
Clark	Hokanson	Mehrkens	Rice	Wenzel
Clawson	Jacobs	Metzen	Rodriguez	Wieser
Corbid	Jaros	Minne	Rose	Wigley
Crandall	Jennings	Moe	Rothenberg	Wynia
Dempsey	Johnson, C.	Munger	Sarna	Zubay
Den Ouden	Johnson, D.	Murphy	Schreiber	Spkr. Norton
Drew	Jude	Nelsen, B.	Searle	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1843.

The Senate has passed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1843

A bill for an act relating to transportation; establishing a state rail bank for abandoned rail lines; amending Minnesota Statutes 1978, Chapter 222, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 174.03, Subdivision 4; 222.50, Subdivision 7; and 222.65.

March 31, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1843, report that we have agreed upon the items in dispute and recommend as follows:

That the house recede from its amendments and S. F. No. 1843 be further amended as follows:

Page 4, line 7, before "potential" insert "present or"

Page 4, line 8, after "rail" insert "freight or"

Page 4, delete lines 13 to 21 and insert

"The commissioner shall provide for the maintenance including control of weeds, of any right-of-way that is included in the rail bank. The commissioner shall provide for the maintenance and management of any right-of-way that is acquired under the rail bank program in a manner that minimizes maintenance costs and provides a benefit to the state. The commissioner may also require that any existing railroad track that is included in the acquired right-of-way shall not be removed during the period the right-of-way is included in the state rail bank."

Page 4, line 28, before "area" delete "the" and insert "each"

Page 5, line 28, before the period insert "at its fully appraised value"

Page 6, after line 24, insert:

"Sec. 5. The commissioner of natural resources may, in the same manner as provided by law for the sale of trust fund lands, sell at public auction the lands and interests in lands relating to the abandoned railway line located in Mower and Fillmore Counties which were acquired by the state in 1978 from the Chicago and Northwestern Transportation Company and which lie between the intersection of U.S. Highways 16 and 63 near the city of Spring Valley in Fillmore County and the intersection of the railway line with the Minnesota and Iowa border at a point southwest of LeRoy in Mower County. The commissioner may subdivide the lands and interests in lands into smaller parcels for the purpose of this sale."

Sec. 6. *In any county in which a combination railroad and highway bridge is closed the county board may lease or purchase such bridge. The subsequent use and operation of the combination bridge shall conform to and be compatible with the existing uses adjoining both sides of that bridge. The county board may establish and from time to time adjust tolls to be charged for vehicular use of the bridge at the rate or rates and on the basis the county board may deem appropriate to provide revenues sufficient to finance the lease, purchase, operation, repair, and maintenance of the bridge and toll facilities. The revenues from the bridge tolls shall only be used for the lease, purchase, repair, operation, and maintenance of the bridge and toll facilities. Notwithstanding the provisions of this section, if the state purchases the combination bridge the county may lease the bridge from the state by contract.*

Sec. 7. Minnesota Statutes 1978, Chapter 222, is amended by adding a section to read:

[222.64] [EMPLOYMENT PREFERENCE.] *Individuals who have been previously employed by railroads, whose users obtain guaranteed loans or other assistance pursuant to sections 222.46 to 222.64, shall have priority, based upon their length of service with that railroad, in employment with a purchasing carrier or other operator of a railroad benefiting from those loans or other assistance.*

Sec. 8. *This act is effective the day following its final enactment.*"

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing for the sale of certain abandoned railway lines in certain counties; providing for the purchase or lease of certain bridges by counties, authorizing toll charges for vehicular use thereof, and specifying the purposes for which the revenue may be used; providing for employment preferences for certain rail employees under certain circumstances;"

Page 1, lines 4 and 5, delete "a section" and insert "sections"

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

Senate Conferees: IRVING M. STERN, TIMOTHY J. PENNY and WILLIAM G. KIRCHNER.

House Conferees: ARLENE I. LEHTO, BRUCE ANDERSON and DELBERT F. ANDERSON.

Lehto moved that the report of the Conference Committee on S. F. No. 1843 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1843, A bill for an act relating to transportation; establishing a state rail bank for abandoned rail lines; amending Minnesota Statutes 1978, Chapter 222, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 174.03, Subdivision 4; 222.50, Subdivision 7; and 222.65.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 121 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Norman	Simoneau
Adams	Ellingson	Kalis	Novak	Stadum
Ainley	Erickson	Kelly	Nysether	Stoa
Anderson, B.	Esau	Kempe	Olsen	Stowell
Anderson, D.	Evans	Knickerbocker	Onnen	Sviggum
Anderson, G.	Ewald	Kostohryz	Otis	Swanson
Anderson, I.	Faricy	Kroening	Patton	Thiede
Anderson, R.	Fjoslien	Laidig	Pehler	Tomlinson
Battaglia	Forsythe	Lehto	Peterson, B.	Valan
Begich	Friedrich	Levi	Peterson, D.	Vanasek
Berglin	Fudro	Long	Piepho	Voss
Berkelman	Greenfield	Ludeman	Pleasant	Waldorf
Biersdorf	Halberg	Luknic	Prahl	Weaver
Blatz	Haukoos	Mann	Redalen	Welch
Brinkman	Heap	McCarron	Reding	Welker
Byrne	Heinitz	McDonald	Rees	Wenzel
Carlson, L.	Hoberg	McEachern	Rice	Wieser
Casserly	Hokanson	Mehrkens	Rodriguez	Wigley
Clark	Jacobs	Metzen	Rose	Wynia
Clawson	Jaros	Minne	Rothenberg	Zubay
Corbid	Jennings	Moe	Sarna	Spkr. Norton
Crandall	Johnson, C.	Munger	Searle	
Dempsey	Johnson, D.	Murphy	Sherwood	
Den Ouden	Jude	Nelsen, M.	Sieben, H.	
Eken	Kahn	Nelson	Sieben, M.	

Those who voted in the negative were:

Albrecht	Fritz	Niehaus	Osthoff	Valento
Drew	Kvam			

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1941.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1941, A bill for an act relating to corrections; creating an advisory task force; appropriating money for local correctional facility construction; authorizing issuance of state bonds; amending Minnesota Statutes 1978, Section 241.022, Subdivision 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

MOTION FOR RECONSIDERATION

Crandall moved that the vote whereby S. F. No. 1802 was not passed as a Special Order for Wednesday, April 2, 1980 be now reconsidered. The motion prevailed.

S. F. No. 1802 was reported to the House.

Crandall moved that S. F. No. 1802 be returned to Special Orders and be continued one day. The motion prevailed.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1896

A bill for an act relating to juveniles; establishing criteria for reference of certain juveniles for prosecution; requiring written findings and conclusions after reference hearings; providing monitoring by the crime control planning board; amending Minnesota Statutes 1978, Section 260.125, by adding subdivisions.

April 3, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1896, 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. 1896 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 241.021, Subdivision 1, is amended to read:

241.021 [LICENSING AND SUPERVISION OF INSTITUTIONS AND FACILITIES.] Subdivision 1. [SUPERVISION OVER CORRECTIONAL INSTITUTIONS; ADVISORY TASK FORCES.] (1) The commissioner of corrections shall inspect and license all correctional facilities throughout the state, whether public or private, established and operated for the detention and confinement of persons detained or confined therein according to law except to the extent that they are inspected or licensed by other state regulating agencies. He shall promulgate pursuant to chapter 15, rules establishing minimum standards for these facilities with respect to their management, operation, physical condition, and the security, safety, health, treatment and discipline of persons detained 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, rules setting standards for group homes established under the direction of the juvenile courts shall not take effect until 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. *Rules promulgated hereunder establishing the maximum number of children permitted to reside in group homes shall require that children in the group foster parents' natural family be counted in the number of children actually residing in the group home, and the application of the rules providing the maximum number and manner of counting residents shall not be waived.*

(2) Any state agency which regulates, inspects, or licenses certain aspects of correctional facilities shall, insofar as is possible, ensure that the minimum standards it requires are substantially the same as those required by other state agencies which regulate, inspect, or license the same aspects of similar types of correctional facilities, although at different correctional facilities.

(3) Nothing in this section shall be construed to limit the commissioner of corrections' authority to promulgate rules establishing standards of eligibility for counties to receive funds under sections 401.01 to 401.16, or to require counties to comply with operating standards the commissioner establishes as a condition precedent for counties to receive that funding.

(4) When the commissioner finds that any facility described in clause (1) of this subdivision, except foster care facilities for delinquent children and youth as provided in subdivision 2,

does not conform to the minimum standards established by law or by the commissioner, he shall promptly notify the chief executive officer and the governing board of the facility of the deficiencies and order that they be remedied within a reasonable period of time. The commissioner may by written order restrict the use of any facility which does not substantially conform to minimum standards to prohibit the detention of any person therein for more than 72 hours at one time. When, after due notice and hearing, the commissioner finds that any facility described in this subdivision, except county jails and lockups as provided in sections 641.26, 642.10, and 642.11, does not conform to minimum standards, or is not making satisfactory progress toward substantial compliance therewith, he may issue his order revoking the license of that facility. After revocation of its license, that facility shall not be used until its license is renewed. When the commissioner is satisfied that satisfactory progress towards substantial compliance with minimum standard is being made, he may, at the request of the appropriate officials of the affected facility supported by a written schedule for compliance, grant an extension of time for a period not to exceed one year.

(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.

Sec. 2. Minnesota Statutes 1978, Section 257.071, is amended 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) *residential facility* by court order or by the voluntary release of the child by his 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 PARENT OR PARENTS.)

For purposes of this section, a residential facility means any group home, family foster home or other publicly supported out-of-home residential facility, including any out-of-home residential facility under contract with the state, county or other political subdivision, or any agency thereof, to provide those services.

For the purposes of this section, a case plan means a written document which is ordered by the court or which is prepared by the social service agency responsible for the (FOSTER HOME)

residential facility placement and is signed by the parent or parents, or other custodian, of the child, the child's legal guardian, the social service agency responsible for the (FOSTER HOME) *residential facility* 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) *residential facility*, including a description of the problems or conditions in the home of the parent or parents which necessitated removal of the child from his home;

(2) The specific actions to be taken by the 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 parents for the support of the child during the period the child is in the (FOSTER HOME) *residential facility*;

(4) The visitation rights and obligations of the parent or parents during the period the child is in the (FOSTER HOME) *residential facility*;

(5) The social and other supportive services to be provided to the parent or parents of the child, the child, and the (FOSTER PARENTS) *residential facility* during the period the child is in the (FOSTER HOME) *residential facility*;

(6) The date on which the child is expected to be returned to the home of his 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 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 parent or parents and the child *each* shall have the right to legal counsel in the preparation of the case plan and shall be informed of the right at the time of placement of the child. The child shall also have the right to a guardian ad litem. If unable to employ counsel from their own resources, the court shall appoint counsel upon the request of the parent or parents or the child or his legal guardian. The 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.

Subd. 2. [SIX MONTH REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a (FOSTER HOME) *residential facility* pursuant to a voluntary release by his 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) *residential facility* if the child is not returned to the home of his parent or parents within that time.

Subd. 3. [REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a (FOSTER HOME) *residential facility* pursuant to a voluntary release by his parent or parents, and is not returned to his home within 18 months after his initial placement in the (FOSTER HOME) *residential facility*, the social service agency responsible for the placement shall:

- (a) Return the child to the home of his parent or parents; or
- (b) File an appropriate petition pursuant to sections 260.131 or 260.231.

Sec. 3. Minnesota Statutes 1978, Section 260.011, Subdivision 2, is amended to read:

Subd. 2. The purpose of the laws relating to juvenile courts is to secure for each (MINOR) *child alleged or adjudicated neglected or dependent* and under the jurisdiction of the court, the care and guidance, preferably in his own home, as will serve the spiritual, emotional, mental, and physical welfare of the (MINOR) *child* and the best interests of the state; to preserve and strengthen the (MINOR'S) *child's* family ties whenever possible, removing him from the custody of his parents only when his welfare or safety (AND PROTECTION OF THE PUBLIC) cannot be adequately safeguarded without removal; and, when the (MINOR) *child* is removed from his own family, to secure for him custody, care and discipline as nearly as possible equivalent to that which should have been given by his parents.

The purpose of the laws relating to children alleged or adjudicated to be delinquent is to promote the public safety and reduce juvenile delinquency by maintaining the integrity of the substantive law prohibiting certain behavior and by developing individual responsibility for lawful behavior. This purpose should be pursued through means that are fair and just, that recognize the unique characteristics and needs of children, and that give children access to opportunities for personal and social growth.

The laws relating to juvenile courts shall be liberally construed to carry out these purposes.

Sec. 4. Minnesota Statutes 1978, 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) *sections 260.125 and 260.193*, 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 1978, Section 260.115, Subdivision 1, is amended to read:

260.115 [TRANSFERS FROM OTHER COURTS.] Subdivision 1. Except where a juvenile court has referred an alleged violation to a prosecuting authority in accordance with the provisions of section 260.125 or (TO) a court (IN ACCORDANCE WITH THE PROVISIONS OF SECTION 260.193) *has original jurisdiction of a child who has committed a minor traffic offense, as defined in section 260.193, subdivision 1, clause (c)*, a court other than a juvenile court shall immediately transfer to the juvenile court of the county the case of a minor who appears before the court on a charge of violating any state or local law or ordinance and who is under 18 years of age or who was under 18 years of age at the time of the commission of the alleged offense.

Sec. 6. Minnesota Statutes 1978, Section 260.121, Subdivision 3, is amended to read:

Subd. 3. *Except when a child is alleged to have committed a minor traffic offense, as defined in section 260.193, subdivision 1, clause (c)*, if it appears at any stage of the proceeding that a child before the court is a resident of another state, the court may invoke the provisions of the interstate compact on juveniles or, if it is in the best interests of the child or the public to do so, the court may place the child in the custody of his parent, guardian, or custodian, if the parent, guardian, or custodian agree to accept custody of the child and return him to their state.

Sec. 7. Minnesota Statutes 1978, Section 260.125, is amended to read:

260.125 [REFERENCE FOR PROSECUTION.] Subdivision 1. When a child is alleged to have violated a state or local law or ordinance after becoming 14 years of age the juvenile court may enter an order referring the alleged violation to the

appropriate prosecuting authority for action under laws in force governing the commission of and punishment for violations of statutes or local laws or ordinances. The prosecuting authority to whom (SUCH) *the* matter is referred shall within the time specified in (SUCH) *the* order of reference, which time shall not exceed 90 days, file with the court making (SUCH) *the* order of reference notice of intent to prosecute or not to prosecute. If (SUCH) *the* prosecuting authority files notice of intent not to prosecute or fails to act within the time specified, the court shall proceed as if no order of reference had been made. If such prosecuting authority files with the court notice of intent to prosecute the jurisdiction of the juvenile court in the matter is terminated.

Subd. 2. The juvenile court may order a reference only if:

(a) A petition has been filed in accordance with the provisions of section 260.131;

(b) Notice has been given in accordance with the provisions of sections 260.135 and 260.141;

(c) A hearing has been held in accordance with the provisions of section 260.155 (,) *within 30 days of the filing of the reference motion, unless good cause is shown by the prosecution or the child as to why the hearing should not be held within this period;* and

(d) The court finds that

(1) *there is probable cause, as defined by the rules of criminal procedure promulgated pursuant to section 480.059, to believe the child committed the offense alleged by delinquency petition and*

(2) *the prosecuting authority has demonstrated by clear and convincing evidence that the child is not suitable to treatment or that the public safety is not served under the provisions of laws relating to juvenile courts.*

Subd. 3. *A prima facie case that the public safety is not served or that the child is not suitable for treatment shall have been established if the child was at least 16 years of age at the time of the alleged offense and:*

(1) *Is alleged by delinquency petition to have committed an aggravated felony against the person and (a) in committing the offense, the child acted with particular cruelty or disregard for the life or safety of another; or (b) the offense involved a high degree of sophistication or planning by the juvenile; or*

(2) *Is alleged by delinquency petition to have committed murder in the first degree; or*

(3) *Has been adjudicated delinquent for an offense committed within the preceding 24 months, which offense would be a felony if committed by an adult, and is alleged by delinquency petition to have committed murder in the second or third degree, manslaughter in the first degree, criminal sexual conduct in the first degree or assault in the first degree; or*

(4) *Has been adjudicated delinquent for two offenses, not in the same behavioral incident, which offense were committed within the preceding 24 months and which would be felonies if committed by an adult, and is alleged by delinquency petition to have committed manslaughter in the second degree, kidnapping, criminal sexual conduct in the second degree, arson in the first degree, aggravated robbery, or assault in the second degree; or*

(5) *Has been previously adjudicated delinquent for three offenses, none of which offenses were committed in the same behavioral incident, which offenses were committed within the preceding 24 months and which offenses would be felonies if committed by an adult, and is alleged by delinquency petition to have committed any felony other than those described in clauses (2), (3) or (4).*

For the purposes of this subdivision, "aggravated felony against the person" means a violation of any of the following provisions: sections 609.185; 609.19; 609.195; 609.20, subdivisions 1 or 2; 609.221; 609.222; 609.223; 609.245; 609.25; 609.342; 609.343; 609.344, clauses (c) or (d); 609.345, clauses (c) or (d); 609.561; 609.58, subdivision 2, clause (b); or 609.713.

Subd. (3) 4. When the juvenile court enters an order referring an alleged violation to a prosecuting authority, the prosecuting authority shall proceed with the case as if the jurisdiction of the juvenile court had never attached.

Subd. 5. If the juvenile court orders a reference for prosecution, the order shall contain in writing, findings of fact and conclusions of law as to why the child is not suitable to treatment or the public safety is not served under the provisions of laws relating to the juvenile courts. If the juvenile court, after a hearing conducted pursuant to subdivision 2, decides not to order a reference for prosecution, the decision shall contain, in writing, findings of fact and conclusions of law as to why a reference for prosecution is not ordered.

Subd. 6. The crime control planning board created pursuant to section 299A.03, shall monitor and evaluate the effect of this section 7 and shall submit a report to the legislature on or before January 1, 1982. The report shall, at the minimum, compare the number of references ordered and the characteristics of juveniles referred for prosecution pursuant to section 260.125 prior to and subsequent to the effective date of this act.

Sec. 8. Minnesota Statutes 1978, Section 260.135, Subdivision 1, is amended to read:

260.135 [SUMMONS; NOTICE.] Subdivision 1. After a petition has been filed and unless the parties hereinafter named voluntarily appear, the court shall set a time for a hearing and shall issue a summons requiring the person who has custody or control of the (MINOR) *child* to appear with the (MINOR) *child* before the court at a time and place stated. The summons (SHALL RECITE BRIEFLY THE SUBSTANCE OF THE PETITION OR) shall (BE ATTACHED TO) *have a copy of the petition attached, and shall advise the parties of the right to counsel and of the consequences of failure to obey the summons.*

Sec. 9. Minnesota Statutes 1978, Section 260.135, Subdivision 2, is amended to read:

Subd. 2. The court shall have notice of the pendency of the case and of the time and place of the hearing served upon (THE PARENTS) *a parent*, (GUARDIANS) *guardian*, or spouse of (A LEGITIMATE MINOR OR THE MOTHER, GUARDIAN, OR SPOUSE OF AN ILLEGITIMATE MINOR) *the child*, (IF THEY ARE NOT) *who has not been summoned as provided in subdivision 1.*

Sec. 10. Minnesota Statutes 1978, Section 260.135, Subdivision 5, is amended to read:

Subd. 5. If it appears from the *notarized* petition or by (SEPARATE) *sworn* affidavit (OF A PERSON HAVING KNOWLEDGE OF THE FACT THAT THE MINOR IS IN SUCH CONDITION OR SURROUNDINGS THAT HIS) *that there are reasonable grounds to believe the child is in surroundings or conditions which endanger the child's health, safety or welfare (REQUIRES) and require that his custody be immediately assumed by the court, the court may order, by endorsement upon the summons, that the officer serving the summons shall take the (MINOR) child into immediate custody (AT ONCE).*

Sec. 11. Minnesota Statutes 1978, Section 260.141, Subdivision 1, is amended to read:

260.141 [SERVICE OF SUMMONS, NOTICE.] Subdivision 1. (a) Service of summons or notice required by section 260.135 shall be made *upon the following persons* in the same manner in which personal service of summons in civil actions is made:

(1) *in all delinquency matters, upon the person having custody or control of the child and upon the child; and*

(2) *in all other matters, upon the person having custody or control of the child, and upon the child if he is more than 12 years of age.*

Personal service shall be effected at least 24 hours before the time of the hearing; however, it shall be sufficient to confer jurisdiction if service is made at any time before the day fixed in the summons or notice for the hearing, except that the court, if so requested, shall not proceed with the hearing earlier than the second day after the service. If personal service cannot well be made within the state, a copy of the summons or notice may be served on the person to whom it is directed by delivering a copy thereof to such person personally outside the state. Such service if made personally outside the state shall be sufficient to confer jurisdiction; providing however it be made at least five days before the date fixed for hearing in such summons or notice.

(b) If the court is satisfied that personal service of the summons or notice cannot well be made, it shall make an order providing for the service of summons or notice by certified mail addressed to the last known addresses of such persons, and by one weeks published notice as provided in section 645.11. A copy of the notice shall be sent by certified mail at least five days before the time of the hearing or 14 days if mailed to addresses outside the state.

(c) Notification to the county welfare board required by section 260.135, subdivision 3, shall be in such manner as the court may direct.

Sec. 12. Minnesota Statutes 1978, Section 260.155, Subdivision 1, is amended to read:

260.155 [HEARING.] Subdivision 1. [GENERAL.] Except for hearings arising under section 260.261, hearings on any matter shall be without a jury and may be conducted in an informal manner. *The rules of evidence promulgated pursuant to section 480.0591 and the law of evidence shall apply in adjudicatory proceedings involving a child alleged to be delinquent and hearings conducted pursuant to section 260.125 except to the extent that the rules themselves provide that they do not apply.* Hearings may be continued or adjourned from time to time and, in the interim, the court may make such orders as it deems in the best interests of the minor in accordance with the provisions of sections 260.011 to 260.301. The court shall exclude the general public from these hearings and shall admit only those persons who, in the discretion of the court, have a direct interest in the case or in the work of the court. *In all delinquency cases a person named in the charging clause of the petition as a person directly damaged in person or property shall be entitled, upon request, to be notified by the clerk of court in writing, at his last known address, of (1) the date of the reference or adjudi-*

catory hearings, and (2) the disposition of the case. Adoption hearings shall be conducted in accordance with the provisions of laws relating to adoptions.

Sec. 13. Minnesota Statutes 1978, Section 260.155, Subdivision 2, is amended to read:

Subd. 2. [APPOINTMENT OF COUNSEL.] The minor, parent, guardian or custodian have the right to *effective assistance of counsel*. If they desire counsel but are unable to employ it, the court shall appoint counsel to represent the minor or his parents or guardian in any other case in which it feels that such an appointment is desirable.

Sec. 14. Minnesota Statutes 1978, Section 260.155, Subdivision 4, is amended to read:

Subd. 4. [GUARDIAN AD LITEM.] (a) The court shall appoint a guardian ad litem to protect the interests of the minor when it appears, at any stage of the proceedings, that the minor is without a parent or guardian, or that his parent is a minor or incompetent, or that his parent or guardian is indifferent or hostile to the minor's interests, and in every proceeding alleging neglect or dependency. In any other case the court may appoint a guardian ad litem to protect the interests of the minor when the court feels that such an appointment is desirable. The court shall appoint the guardian ad litem on its own motion or in the manner provided for the appointment of a guardian ad litem in the district court.

(b) The court may waive the appointment of a guardian ad litem pursuant to clause (a), whenever counsel has been appointed pursuant to subdivision 2 or is retained otherwise, and the court is satisfied that the interests of the minor are protected.

(c) In appointing a guardian ad litem pursuant to clause (a), **(IF THE COURT FINDS THAT IT IS NOT IN THE BEST INTERESTS OF THE CHILD,)** the court shall not appoint the party, or any agent or employee thereof, filing a petition pursuant to section 260.131.

Sec. 15. Minnesota Statutes 1978, Section 260.155, is amended by adding a subdivision to read:

Subd. 8. [WAIVER.] *Waiver of any right which a child has under this chapter must be an express waiver intelligently made by the child after the child has been fully and effectively informed of the right being waived. If a child is under 12 years of age, the child's parent, guardian or custodian shall give any waiver or offer any objection contemplated by this chapter.*

Sec. 16. Minnesota Statutes 1978, Section 260.161, Subdivision 1, is amended to read:

260.161 [RECORDS.] Subdivision 1. The juvenile court judge shall keep such minutes and in such manner as he deems necessary and proper. *The court shall keep and maintain records pertaining to delinquent adjudications until the person reaches the age of 23 years and shall release the records on an individual to a requesting adult court for purposes of sentencing. The juvenile court shall provide, upon the request of any other juvenile court, copies of the records concerning adjudications involving the particular child.* The court shall also keep an index in which files pertaining to juvenile matters shall be indexed under the name of the juvenile. After the name of each file shall be shown the file number and, if ordered by the court, the book and page of the register in which the documents pertaining to such file are listed. The court shall also keep a register properly indexed in which shall be listed under the name of the juvenile all documents filed pertaining thereto and in the order filed. (SUCH) *The list shall show the name of the document and the date of filing thereof.* The juvenile court legal records shall be deposited in files and shall include the petition, summons, notice, findings, orders, decrees, judgments, and motions and such other matters as the court deems necessary and proper. The legal records maintained in this file shall be open at all reasonable times to the inspection of any minor to whom the records relate, and to his parent and guardian.

Sec. 17. Minnesota Statutes 1978, 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), 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 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), 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) Require the child to pay a fine of up to \$500; the court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child;

((F)) (g) 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)) (h) 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.

This subdivision applies to dispositions of juveniles found to be delinquent as defined in section 260.015, subdivision 5, clause (c) or (d) made prior to, on, or after January 1, 1978.

Sec. 18. Minnesota Statutes 1978, Section 260.193, is amended to read:

260.193 [JUVENILE TRAFFIC OFFENDER; PROCEDURES; DISPOSITIONS.] Subdivision 1. (a) *For purposes of this section, the following terms have the meanings given them.*

(b) *"Major traffic offense" includes any violation of a state or local traffic law, ordinance, or regulation, or a federal, state, or local water traffic law not included within the provisions of clause (c).*

(c) *"Minor traffic offense" means a violation of a state or local traffic law, ordinance, or regulation, or a federal, state, or local water traffic law constituting an offense punishable only by fine of not more than \$100.*

Subd. 2. A child who (VIOLATES A STATE OR LOCAL TRAFFIC LAW, ORDINANCE, OR REGULATION, OR WHO VIOLATES A FEDERAL, STATE, OR LOCAL WATER TRAFFIC LAW) *commits a major traffic offense* shall be adjudicated a "juvenile highway traffic offender" or a "juvenile water traffic offender," as the case may be, and shall not be adjudicated delinquent, unless, as in the case of any other child alleged to be delinquent, a petition is filed in the manner provided in section 260.131, summons issued, notice given, a hearing held, and the court finds as a further fact that the child is also delinquent within the meaning and purpose of the laws relating to juvenile courts.

Subd. 3. *Except as provided in subdivision 4, a child who commits a minor traffic offense and at the time of the offense was at least 16 years old shall be subject to the laws and court procedures controlling adult traffic violators and shall not be under the jurisdiction of the juvenile court. When a child is alleged to have committed a minor traffic offense and is at least 16 years old at the time of the offense, the peace officer making the charge shall follow the arrest procedures prescribed in section 169.91 and shall make reasonable effort to notify the child's parent or guardian of the nature of the charge.*

Subd. 4. *The juvenile court shall have original jurisdiction if the child is alleged to have committed both major and minor traffic offenses in the same behavioral incident.*

Subd. (2) 5. When a child is alleged to have (VIOLATED ANY STATE OR LOCAL TRAFFIC LAW, ORDINANCE, OR REGULATION) *committed a major traffic offense*, the peace officer making the charge shall file a signed copy of the notice to appear, as provided in section 169.91, with the juvenile court of the county in which the violation occurred, and the notice to appear has the effect of a petition and gives the juvenile court jurisdiction. Filing with the court (OF) a notice to appear containing the name and address of the child allegedly (VIOLATING A FEDERAL, STATE, OR LOCAL WATER TRAFFIC LAW) *committing a major traffic offense* and specifying the offense charged, the time and place of the alleged violation shall have the effect of a petition and give the juvenile court jurisdiction. Any reputable person having knowledge of a child who (VIOLATES A STATE OR LOCAL TRAFFIC LAW, ORDINANCE, OR REGULATION OR A FEDERAL, STATE, OR LOCAL WATER TRAFFIC LAW, ORDINANCE, OR REGULATION) *commits a major traffic offense* may petition the juvenile court in the manner provided in section 260.131. Whenever a notice to appear or petition is filed alleging that a child is a juvenile highway traffic offender or a juvenile water traffic offender, the court shall summon and notify the persons required to be summoned or notified as provided in sections 260.135 and 260.141. However, it is not necessary to (1) notify more than one parent, or (2) publish any notice, or (3) personally serve outside the state.

Subd. (3) 6. Before making a disposition of any child found to be a juvenile (HIGHWAY) *major traffic offender*, the court shall obtain from the department of transportation information of any previous traffic violation by this juvenile. In the case of a juvenile water traffic offender, he shall obtain from the office where (SUCH) *the information is now or hereafter may be kept information of any previous water traffic violation by (SUCH) the juvenile.*

Subd. (4) 7. If after a hearing the court finds that the welfare of a juvenile (HIGHWAY) *major traffic offender* or a juvenile water traffic offender or the public safety would be better served under the laws controlling adult traffic violators, the court may transfer the case to any court of competent jurisdiction presided over by a salaried judge if there is one in the county. The juvenile court transfers the case by forwarding to the appropriate court the documents in the court's file together with an order to transfer. The court to which the case is transferred shall proceed with the case as if the jurisdiction of the juvenile court had never attached.

Subd. (5) 8. If the juvenile court finds that the child is a juvenile *major highway or water traffic offender*, it may make any one or more of the following dispositions of the case:

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

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

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

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

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

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

(g) *Require the child to pay a fine of up to \$500. The court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child.*

Subd. (6) 9. The juvenile court shall report the disposition of all juvenile highway traffic cases to the commissioner of public safety, as provided in section 171.16, on the standard form provided by the department of public safety under section 169.95.

Subd. (7) 10. The juvenile court records of juvenile highway traffic offenders and juvenile water traffic offenders shall be kept separate from delinquency matters.

Sec. 19. Minnesota Statutes 1978, Section 260.211, Subdivision 1, is amended to read:

260.211. [EFFECT OF JUVENILE COURT PROCEEDINGS.] Subdivision 1. No adjudication upon the status of

any child in the jurisdiction of the juvenile court shall operate to impose any of the civil disabilities imposed by conviction, nor shall any child be deemed a criminal by reason of this adjudication, nor shall this adjudication be deemed a conviction of crime. The disposition of the child or any evidence given by the child in the juvenile court shall not be admissible as evidence against him in any case or proceeding in any other court, *except that an adjudication may later be used to determine a proper sentence*, nor shall the disposition or evidence disqualify him in any future civil service examination, appointment, or application.

Sec. 20. Minnesota Statutes 1978, Chapter 480, is amended by adding a section to read:

[480.0595] [JUVENILE COURT RULES.] *The supreme court shall promulgate rules to regulate the pleadings, practice, procedure and the forms thereof in juvenile proceedings in all juvenile courts of the state in accordance with the provisions of section 480.059, except with respect to the composition of the advisory committee. The rules shall be published and distributed to the judiciary and attorneys of the state on or before September 1, 1981.*

Sec. 21. Minnesota Statutes 1978, Section 484.70, is amended by adding a subdivision to read:

Subd. 5. No referee sitting in juvenile court in the second and fourth judicial districts may hear any motion involving a contested case or preside at any hearing or 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 shall, by rule, specify the time within which the objections must be filed. If written objections are not filed consistent with the court's rules, the parties and their attorneys are deemed to have conferred full judicial powers to the referee.

Sec. 22. Minnesota Statutes 1978, Section 540.18, Subdivision 1, is amended to read:

540.18 [DAMAGE BY MINOR; RESPONSIBILITY OF PARENT, GUARDIAN, AND MINOR.] Subdivision 1. The parent or guardian of the person of a minor who is under the age of 18 and who is living with the parent or guardian and who willfully or maliciously causes injury to any person or damage to any property is jointly and severally liable with such minor for such injury or damage to an amount not exceeding (\$100) \$500, if such minor would have been liable for such injury or damage if he had been an adult. Nothing in this subdivision shall be construed to relieve such minor from personal liability for such injury or damage. The liability provided in this subdivision is in addition to and not in lieu of any other liability which may exist at law. Recovery under this section shall be limited to special damages.

Sec. 23. [EFFECTIVE DATE.] *Section 21 is effective the day following final enactment and expires July 31, 1981. The remainder of the sections are effective August 1, 1980 and apply to offenses committed on or after that date except with respect to the history of offenses provided for in section 7."*

Delete the title and insert:

"A bill for an act relating to juveniles and corrections; modifying dispositions available to juvenile court judges; increasing civil liability of parents for intentional acts of their children; modifying statutory provisions relating to records of adjudications of delinquency; making the rules of evidence applicable in certain juvenile proceedings; modifying procedures in juvenile court; providing for informed consent by juveniles to waiver of rights; providing for the promulgation of statewide juvenile court rules; modifying the jurisdiction of the juvenile courts; modifying the provisions for reference of juveniles for adult prosecution; expanding the coverage of the provisions requiring preparation of a case plan for children placed in foster care; providing for maximum capacities for group homes; authorizing juvenile court referees in the second and fourth judicial districts to hear contested trials, hearings, or motions unless objection is made; amending Minnesota Statutes 1978, Sections 241.021, Subdivision 1; 257.071; 260.011, Subdivision 2; 260.111, Subdivision 1; 260.115, Subdivision 1; 260.121, Subdivision 3; 260.125; 260.135, Subdivisions 1, 2, and 5; 260.141, Subdivision 1; 260.155, Subdivisions 1, 2, 4 and by adding a subdivision; 260.161, Subdivision 1; 260.185, Subdivision 1; 260.193; 260.211, Subdivision 1; 484.70, by adding a subdivision; 540.18, Subdivision 1; and Chapter 480, by adding a section."

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

House Conferees: RANDY C. KELLY, ROBERT E. VANASEK, WILLIAM A. CRANDALL, STEVEN G. NOVAK and DAVID M. JENNINGS.

Senate Conferees: GERRY SIKORSKI, BILL MCCUTCHEON, WILLIAM P. LUTHER, JOHN B. KEEFE and JACK DAVIES.

Kelly moved that the report of the Conference Committee on H. F. No. 1896 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1896, A bill for an act relating to juveniles; establishing criteria for reference of certain juveniles for prosecution; requiring written findings and conclusions after reference hearings; providing monitoring by the crime control planning board; amending Minnesota Statutes 1978, Section 260.125, by adding subdivisions.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Niehaus	Sieben, M.
Adams	Elioff	Kalis	Norman	Simoneau
Ainley	Ellingson	Kelly	Novak	Stadum
Albrecht	Erickson	Kempe	Nysether	Stoa
Anderson, B.	Esau	Knickerbocker	Olsen	Stowell
Anderson, D.	Evans	Kostohryz	Onnen	Sviggum
Anderson, G.	Ewald	Kroening	Osthoff	Swanson
Anderson, I.	Faricy	Kvam	Otis	Thiede
Anderson, R.	Fjoslien	Laidig	Patton	Tomlinson
Battaglia	Forsythe	Lehto	Pehler	Valan
Begich	Friedrich	Levi	Peterson, B.	Valento
Berglin	Fritz	Long	Peterson, D.	Vanasek
Berkelman	Fudro	Ludeman	Piepho	Voss
Biersdorf	Greenfield	Luknic	Pleasant	Waldorf
Blatz	Halberg	Mann	Prahl	Weaver
Brinkman	Haukoos	McCarron	Redalen	Welch
Byrne	Heap	McDonald	Reding	Welker
Carlson, D.	Heinitz	McEachern	Rees	Wenzel
Carlson, L.	Hoberg	Mehrkens	Rice	Wieser
Cassery	Hokanson	Metzen	Rodriguez	Wigley
Clark	Jacobs	Minne	Rose	Wynia
Clawson	Jaros	Moe	Rothenberg	Zubay
Corbid	Jennings	Munger	Sarna	Spkr. Norton
Crandall	Johnson, C.	Murphy	Schreiber	
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Sherwood	
Drew	Kahn	Nelson	Sieben, H.	

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2187

A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in the city of Brooklyn Center.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2187, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2187 be further amended as follows:

Page 1, line 9, delete "highways" and insert "transportation"

Page 3, after line 19, insert:

"Subd. 5. If the city of Brooklyn Center conveys any land described in subdivision 2 to any abutting property owner, the conveyance shall be without monetary consideration."

Page 3, delete section 2 and insert:

"Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of this act the terms defined in this section have the meanings given them.

Subd. 2. Local Government Information Systems (LOGIS) is that organization of government units organized pursuant to an agreement effective on May 25, 1972, entered into under the provisions of Minnesota Statutes, Section 471.59, for the purpose of providing data processing services to its members.

Subd. 3. "Member" means a government unit which is a party to the agreement specified in subdivision 2. The term does not include "associate members" as that term is defined in article XI of the agreement.

Subd. 4. LOGIS is a municipality within the meaning of Minnesota Statutes, Section 475.51, Subdivision 2. The governing body of LOGIS is its board of directors.

Subd. 5. "Data processing equipment" means computer equipment, related hardware and software, and other items of capital equipment necessary for the efficient and economical provision of data processing services by LOGIS to its members.

Sec. 3. [BONDS; PURPOSES.] LOGIS may issue and sell its bonds or other obligations in the manner prescribed by Minnesota Statutes, Chapter 475 and this act for the acquisition and betterment of data processing equipment.

Sec. 4. [BONDS; TYPES.] Subdivision 1. [GENERAL OBLIGATIONS; REFERENDUM.] LOGIS may by resolution adopted by a unanimous vote of its board of directors and approved by the governing body of each member issue and sell its general obligation bonds for the acquisition and betterment of data processing equipment pursuant to this subdivision. If the principal amount of bonds to be issued exceeds one percent of the assessed valuation of all taxable property in the member having the smallest population, the bonds may not be issued until ten days have elapsed after the publication in a newspaper of general circulation in all members of the resolution authorizing their issuance; and if before that time, a petition asking for an election on the proposition signed by voters of any member equal to ten percent of the number of voters at the last regular municipal election in the member is filed with the clerk

of the member, the bonds may not be issued unless the proposition for their issuance has been approved by a majority of the voters of the member at a regular or special election. Before issuing bonds under this subdivision the board of directors shall certify to each member and to the county auditor or auditors the taxes required to be levied for the payment of the bonds by Minnesota Statutes, Section 475.61. The county auditor shall apportion the proportionate share of each member in the taxes to each member based upon the ratio of the assessed valuation of property in the member to the assessed valuation of all members.

Subd. 2. [GENERAL OBLIGATION REVENUE BONDS.] LOGIS may also by resolution adopted by unanimous vote of its board of directors and approved by the governing body of each member issue and sell its general obligation bonds for the acquisition and betterment of data processing equipment pursuant to this subdivision. The resolution authorizing the issuance of the bonds shall contain a covenant or agreement that the board of directors will establish, maintain, revise when necessary and collect rates and charges from members and others to whom services are provided in the amounts and at the times required to produce net revenues sufficient to pay when due the principal of and interest on the bonds and the board of directors shall covenant and pledge the net revenues to the payment of principal and interest. The required covenants shall be enforceable by appropriate actions by any bondholder or taxpayer of any member in a court of competent jurisdiction. Bonds issued pursuant to this subdivision are deemed payable wholly from the income of a revenue producing convenience within the meaning of Minnesota Statutes, Sections 475.51 and 475.58. In the event a tax levy is made for the payment of principal and interest on bonds issued pursuant to this subdivision the tax shall be levied and apportioned in the manner prescribed by subdivision 1.

Subd. 3. [BONDS; OTHER.] LOGIS may also issue and sell any other obligation authorized by Minnesota Statutes, Chapter 475 for the acquisition and betterment of data processing equipment in the manner prescribed by Minnesota Statutes, Chapter 475.

Sec. 5. [MEMBERS; LEASES; FINANCING.] A member of LOGIS may acquire data processing equipment and may lease the equipment to LOGIS, and LOGIS is authorized to enter into the equipment lease. The rental payments under the lease may be pledged by the member to the payment of principal and interest on obligations issued by the member for the acquisition of the equipment. The governing body of the member issuing obligations under this section may make the pledges and covenants specified in section 4, subdivision 2, and when the covenants and pledges are made the obligations are deemed payable wholly from the income of a revenue producing convenience

within the meaning of Minnesota Statutes, Sections 475.51 and 475.58.

Sec. 6. [REVENUE PRODUCING CONVENIENCE.] Data processing equipment acquired by LOGIS or a member is a revenue producing convenience within the meaning of Minnesota Statutes, Chapter 475.

Sec. 7. [OBLIGATIONS; DEBT LIMITS.] Obligations issued pursuant to this act shall not be included in the computation of net debt of LOGIS or of any member.

Sec. 8. [INSTALLMENT PURCHASES.] LOGIS may acquire data processing equipment in the same manner and subject to the same limitations as a city under Minnesota Statutes, Section 465.71.

Sec. 9. [REFINANCING.] LOGIS or a member may issue and sell obligations authorized by this act to refund the outstanding obligations of the city of Brooklyn Center dated September 1, 1979. Obligations issued pursuant to this section shall be issued in accordance with the provisions of Minnesota Statutes, Section 475.67.

Sec. 10. The city of Brooklyn Center may fix sewer charges on any equitable basis including the age or income of the recipient of the service.

Sec. 11. [EFFECTIVE DATE.] Section 1 is effective the day following final enactment. Sections 2 to 8 are effective upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3 by the board of directors of LOGIS. Section 9 is effective upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3 by the board of directors of LOGIS and the city council of the city of Brooklyn Center. Section 10 is effective upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3 by the city council of the city of Brooklyn Center."

Amend the title as follows:

Page 1, line 2, delete "state lands" and insert "local government"

Page 1, line 4, before the period, insert "; permitting the acquisition and financing of data processing equipment by Local Government Information Systems and its members; providing for sewer charges by the city of Brooklyn Center on an equitable basis"

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

House Conferees: ROBERT L. ELLINGSON, LYNDON R. CARLSON and ELLIOT C. ROTHENBERG.

Senate Conferees: WILLIAM P. LUTHER, IRVING M. STERN and JOHN B. KEEFE.

Ellingson moved that the report of the Conference Committee on H. F. No. 2187 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2187, A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in the city of Brooklyn Center.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 97 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kroening	Olsen	Simoneau
Adams	Evans	Kvam	Onnen	Stadum
Anderson, B.	Ewald	Laidig	Otis	Stoa
Anderson, D.	Fjoslien	Luknic	Patton	Sviggum
Anderson, G.	Forsythe	Mann	Pehler	Swanson
Anderson, I.	Fudro	McCarron	Peterson, B.	Tomlinson
Battaglia	Greenfield	McDonald	Peterson, D.	Valan
Begich	Halberg	McEachern	Piepho	Vanasek
Berglin	Heap	Mehrkens	Prahl	Voss
Berkelman	Hoberg	Metzen	Rees	Waldorf
Blatz	Hokanson	Minne	Rice	Weaver
Brinkman	Jacobs	Moe	Rodriguez	Wenzel
Byrne	Jaros	Munger	Rose	Wieser
Carlson, L.	Johnson, C.	Murphy	Rothenberg	Wigley
Casserly	Johnson, D.	Nelsen, B.	Sarna	Wynia
Clark	Jude	Nelsen, M.	Schreiber	Zubay
Clawson	Kelly	Nelson	Searle	Spkr. Norton
Crandall	Kempe	Norman	Sherwood	
Eken	Knickerbocker	Novak	Sieben, H.	
Elioff	Kostohryz	Nysether	Sieben, M.	

Those who voted in the negative were:

Ainley	Dempsey	Fritz	Lehto	Reding
Albrecht	Den Ouden	Haukoos	Levi	Stowell
Anderson, R.	Drew	Heinitz	Ludeman	Thiede
Biersdorf	Erickson	Jennings	Niehaus	Valento
Carlson, D.	Esau	Kaley	Osthoff	Welch
Corbid	Faricy	Kalis	Redalen	Welker

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 475

A bill for an act relating to hospitals; requiring adoption of federal medicare standards for hospital licensing; regulating hospital inspections; providing for licensing of hospitals accredited by the joint commission on hospital accreditation; amending Minnesota Statutes 1978, Sections 144.55; and 144.50, Subdivision 1.

April 3, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 475, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 475 be further amended as follows:

Page 1, line 24, delete the new language

Page 2, delete lines 1 to 5

Page 2, line 12, after "as" delete "the"

Page 2, line 12, delete "certification" and insert "*hospital certification regulations promulgated pursuant to Title XVIII of the Social Security Act, 42 U.S.C., Section 1395, et seq., in effect on the effective date of this section.*"

Page 2, delete lines 13 to 15

Page 2, line 16, delete "construction."

Page 2, line 17, after "Federal" insert "*Hospital Certification*"

Page 2, line 17, after "Regulations" insert "*promulgated*"

Page 2, line 18, delete "September 1978" and insert "*the effective date of this section*"

Page 2, line 19, delete "for" and insert "*to protect the*"

Page 2, line 19, after the period, insert "*Further, the commissioner shall promulgate in rule additional minimum standards for new construction.*"

Page 2, line 31, after "or" insert "accreditation"

Page 3, line 12, after the period, insert "*The commissioner shall also conduct any inspection necessary to determine whether hospital construction, addition or remodeling projects comply with standards for construction promulgated in rule pursuant to subdivision 3.*"

Page 3, line 13, delete "annually" and insert ", pursuant to section 144.653,"

Page 3, line 20, after "conducting" delete "a" and after "of" delete "a"

Page 3, line 20, delete "inspection" and insert "inspections"

Page 3, line 20, delete "hospital" and insert "hospitals"

Page 3, line 28, delete "shall" and insert "may"

Page 4, line 29, delete everything after the period and insert "*At each such hearing, the commissioner shall have the burden of establishing that a violation described in subdivision 6 has occurred.*"

Page 4, delete lines 30 to 33

Page 5, delete lines 1 and 2

Page 5, line 17, delete "stated" and insert "described"

Page 5, line 18, delete "2" and insert "3"

Page 5, line 18, delete "rules" and insert "minimum quality standards"

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

House Conferees: THOMAS R. BERKELMAN, JAMES C. SWANSON, ROBERT W. REIF, MARLIN B. NELSEN and O. J. HEINITZ.

Senate Conferees: TOM A. NELSON, GEORGE F. PERPICH and EMILY ANNE STAPLES.

Wenzel; Jude; Laidig; Osthoff; Nelsen, B.; and Rees moved to reject the Conference Committee report on H. F. 475 and instruct the Conferees to reinstate section 7, the provision allowing Health Maintenance Organizations the option of excluding abortions.

A roll call was requested and properly seconded.

The question was taken on the motion to reject the conference committee report on H. F. No. 475 and the roll was called. There were 106 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Jude	Niehaus	Simoneau
Adams	Ellingson	Kalis	Norman	Stadum
Ainley	Erickson	Kelly	Novak	Stowell
Anderson, B.	Esau	Kempe	Nysether	Sviggum
Anderson, D.	Evans	Knickerbocker	Olsen	Swanson
Anderson, G.	Ewald	Kostohryz	Onnen	Thiede
Anderson, I.	Faricy	Kroening	Osthoff	Valan
Anderson, R.	Fjoslien	Kvam	Pehler	Valento
Battaglia	Forsythe	Laidig	Peterson, B.	Vanasek
Begich	Friedrich	Levi	Piepho	Voss
Biersdorf	Fritz	Ludeman	Prahl	Waldorf
Blatz	Fudro	Luknic	Redalen	Weaver
Brinkman	Halberg	Mann	Rees	Welch
Byrne	Haukoos	McCarron	Rice	Welker
Carlson, D.	Heap	McDonald	Rodriguez	Wenzel
Clawson	Heinitz	McEachern	Rose	Wieser
Corbid	Hoberg	Mehrkens	Rothenberg	Wigley
Crandall	Hokanson	Metzen	Sarna	Zubay
Dempsey	Jacobs	Minne	Schreiber	
Den Ouden	Jennings	Murphy	Sherwood	
Drew	Johnson, C.	Nelsen, B.	Sieben, H.	
Eken	Johnson, D.	Nelsen, M.	Sieben, M.	

Those who voted in the negative were:

Albrecht	Clark	Lehto	Otis	Stoa
Berglin	Greenfield	Long	Peterson, D.	Tomlinson
Berkelman	Jaros	Moe	Plesant	Wynia
Carlson, L.	Kahn	Munger	Reding	Spkr. Norton
Casserly	Kaley	Nelson	Searle	

The motion prevailed.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bills: H. F. Nos. 1095, 1453 and S. F. Nos. 74, 507 and 572.

SPECIAL ORDERS

Sieben, H., moved that the bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 11:00 a.m., Tuesday, April 8, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Tuesday, April 8, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

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STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-FIFTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 8, 1980

The House of Representatives convened at 11:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kahn	Nelsen, M.	Schreiber
Adams	Eken	Kaley	Nelson	Searle
Ainley	Elioff	Kalis	Niehaus	Sherwood
Albrecht	Ellingson	Kelly	Norman	Sieben, H.
Anderson, B.	Erickson	Kempe	Novak	Sieben, M.
Anderson, D.	Esau	Knickerbocker	Nysether	Simoneau
Anderson, G.	Evans	Kostohryz	Olsen	Stadum
Anderson, I.	Faricy	Kroening	Onnen	Stowell
Anderson, R.	Fjoslien	Kvam	Osthoff	Sviggum
Battaglia	Forsythe	Laidig	Otis	Swanson
Begich	Friedrich	Lehto	Patton	Thiede
Berglin	Fritz	Levi	Pehler	Tomlinson
Berkelman	Fudro	Long	Peterson, B.	Valan
Biersdorf	Greenfield	Ludeman	Peterson, D.	Valento
Blatz	Halberg	Luknic	Piepho	Vanasek
Brinkman	Haukoos	Mann	Pleasant	Voss
Byrne	Heap	McCarron	Prahl	Waldorf
Carlson, D.	Heinitz	McDonald	Redalen	Weaver
Carlson, L.	Hoberg	McEachern	Reding	Welch
Casserly	Hokanson	Mehrkens	Rees	Welker
Clark	Jacobs	Metzen	Reif	Wenzel
Clawson	Jaros	Minne	Rice	Wieser
Corbid	Jennings	Moe	Rodriguez	Wigley
Crandall	Johnson, C.	Munger	Rose	Wynia
Dempsey	Johnson, D.	Murphy	Rothenberg	Zubay
Den Ouden	Jude	Nelsen, B.	Sarna	Spkr. Norton

A quorum was present.

Dean and Searles were excused. Ewald was excused until 2:30 p.m. Stoa was excused until 4:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Peterson, B., moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 7, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 2436, relating to the city of Duluth; providing for certain city tax revenues;

H. F. No. 2374, relating to the state ceremonial building; creating the state ceremonial building council;

H. F. No. 2369, relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; reenacting a law;

H. F. No. 2191, relating to unemployment compensation; including certain services as within definition of employment; providing for the noncharging of certain benefits; regulating accounts of successor employers; regulating reimbursements; providing for deductions from benefits; clarifying a certain disqualification from benefits; regulating employer protests; regulating certain interest charges and penalties; providing for adjustments;

H. F. No. 2185, relating to public improvements; authorizing Kanabec County to finance the cost of certain improvements within the Knife Lake Improvement District in Kanabec County; changing definitions, board membership, compensation, and powers of the Moose Lake-Windemere Sewer District;

H. F. No. 2149, relating to public welfare; clarifying duties of the commissioner of public welfare regarding approval of public and private mental health centers and clinics for certain purposes; providing for additional rulemaking; appropriating money;

H. F. No. 2122, relating to insurance; increasing the maximum limits on the insuring or reinsuring of a single risk of certain companies; defining a term;

H. F. No. 2075, relating to health; requiring certain immunizations for children, requiring certain schools to maintain immunization records and make certain reports;

H. F. No. 2067, relating to financial institutions; modifying director's residence requirements for industrial loan and thrift companies; providing for a report to the commissioner in the event of a change of control; requiring insurance or guarantee of certificates of indebtedness sold or issued for investment; exempting certificates of indebtedness from the regulation of securities;

H. F. No. 1987, relating to local government; regulating financial reports of certain municipal hospitals and nursing homes;

H. F. No. 1814, relating to agriculture; altering the definition of family farm corporation for the purpose of the Minnesota agricultural property tax law; clarifying certain requirements for authorized farm corporations; limiting liability of donors of distressed food;

H. F. No. 1904, relating to the Nine Mile Creek and Riley-Purgatory Creek Watershed Districts; providing for the establishment of district water maintenance and repair funds; authorizing tax levies for water maintenance and repair purposes.

H. F. No. 1841, relating to state government; providing for certain historical memorials; providing an appropriation.

H. F. No. 1835, relating to motor vehicles; setting due dates for installment payments of motor vehicle registration taxes; extending the coroner's reporting time of deaths resulting from motor vehicle accidents; authorizing the use of accident reports by certain agencies for accident prevention purposes; requiring bumpers on certain motor vehicles; allowing cities and towns to declare segments of city streets and town roads to be urban districts and to post urban district speed limits on them;

H. F. No. 1800, relating to health care; regulating benefits made available under certain health care plans; requiring coverage for reconstructive surgery under certain conditions; exempting certain policies from requiring benefits for alcoholism, chemical dependency or drug addiction;

H. F. No. 1794, relating to county court district 8C; providing for residency of county court judges in the counties of Big Stone, Grant, Pope, Stevens, Traverse and Wilkin; providing for election of judges in those counties.

H. F. No. 1790, relating to advertising devices; authorizing advertising devices within 500 feet of local parks under certain circumstances; providing for a travel information franchise program, and prescribing the powers and duties of the commissioner of transportation in relation thereto;

H. F. No. 1779, relating to judicial procedures; changing the procedures and circumstances under which guardians and conservators may be appointed; clarifying the powers and duties of guardians and conservators; providing for the appointment, powers, and duties of guardians and conservators of minors;

H. F. No. 1765, relating to financial institutions; excluding certain loans made by credit unions in calculating outstanding loans and risks assets for reserve fund purposes;

H. F. No. 1655, relating to pollution; recognizing the extent and severity of the problem of acid precipitation; appropriating funds and designating state agencies and departments to conduct activities designed to identify, control and abate acid precipitation;

H. F. No. 1451, relating to natural resources; authorizing additions to and deletions from certain state parks and authorizing land acquisition and sales in relation thereto; discontinuing Traverse des Sioux state park;

H. F. No. 1272, relating to aeronautics; excluding parachutes and parachuting from the jurisdiction of the department of transportation;

H. F. No. 1169, relating to census taking; providing for the taking of special censuses by the United States bureau of the census rather than the secretary of state; providing for the approval of school district population estimates by the state demographer; providing for annual population estimates of governmental subdivisions by the state demographer and their use in the computation of tax levy limits and local government aid; abolishing the authority of the municipal board to determine the population of municipalities and towns; removing references to a state census;

H. F. No. 1145, relating to banks and banking and electronic fund transfers; providing for implementation of certain statutes relating to electronic fund transfers; authorizing the commissioner of banks to adopt temporary rules; permitting counties to make electronic fund transfers;

Sincerely yours,

ALBERT H. QUIE
Governor

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House File was introduced:

Wynia, Hokanson, Wenzel, Kahn and Rodriguez introduced:

H. F. No. 2496, A bill for an act relating to taxation; property; exempting certain aids to handicapped persons; amending Minnesota Statutes, 1979 Supplement, Section 272.02, Subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

HOUSE ADVISORIES

The following House Advisories were introduced:

Clawson and Otis introduced:

H. A. No. 62, A proposal to reduce the number of bill introductions.

The advisory was referred to the Committee on Rules and Legislative Administration.

Clawson, Long and McDonald introduced:

H. A. No. 63, A proposal to increase legislative fiscal note capability.

The advisory was referred to the Committee on Appropriations.

Wynia, Kahn, Nelson, Berglin and Ellingson introduced:

H. A. No. 64, A proposal to study possible changes in custody procedures to encourage use of joint custody.

The advisory was referred to the Committee on Judiciary.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Progress by the Conference Committee was reported to the House on the following bills: H. F. Nos. 874, 1121, 1201, 1302, 1731, 1813, 1816, 1847, 1931, and 2082.

Lehto moved that the present House Conference Committee for H. F. No. 2082 be discharged and that the Speaker appoint a new Conference Committee on the part of the House.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Sieben, H., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Drew	Kahn	Nelsen, M.	Schreiber
Adams	Eken	Kaley	Nelson	Searle
Ainley	Elioff	Kalis	Niehaus	Sherwood
Albrecht	Ellingson	Kelly	Norman	Sieben, H.
Anderson, B.	Erickson	Kempe	Novak	Sieben, M.
Anderson, D.	Esau	Knickerbocker	Nysether	Simoneau
Anderson, G.	Evans	Kostohryz	Olsen	Stadum
Anderson, I.	Faricy	Kroening	Onnen	Stowell
Anderson, R.	Fjoslien	Kvam	Osthoff	Sviggum
Battaglia	Forsythe	Laidig	Otis	Swanson
Begich	Friedrich	Lehto	Patton	Thiede
Berglin	Fritz	Levi	Pehler	Tomlinson
Berkelman	Fudro	Long	Peterson, B.	Valan
Biersdorf	Greenfield	Ludeman	Peterson, D.	Valento
Blatz	Halberg	Luknic	Piepho	Vanasek
Brinkman	Haukoos	Mann	Pleasant	Waldorf
Byrne	Heap	McCarron	Prahl	Weaver
Carlson, D.	Heinitz	McDonald	Redalen	Welch
Carlson, L.	Hoberg	McEachern	Reding	Welker
Casserly	Hokanson	Mehrkens	Rees	Wenzel
Clark	Jacobs	Metzen	Reif	Wieser
Clawson	Jaros	Minne	Rice	Wigley
Corbid	Jennings	Moe	Rodriguez	Wynia
Crandall	Johnson, C.	Munger	Rose	Zubay
Dempsey	Johnson, D.	Murphy	Rothenberg	Spkr. Norton
Den Ouden	Jude	Nelsen, B.	Sarna	

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Lehto motion and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 43 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kempe	Novak	Tomlinson
Anderson, G.	Faricy	Knickerbocker	Otis	Vanasek
Berglin	Fjoslien	Lehto	Patton	Voss
Berkelman	Greenfield	Long	Pehler	Welch
Casserly	Haukoos	Moe	Pleasant	Wenzel
Clark	Jaros	Munger	Reding	Wynia
Clawson	Johnson, C.	Nelsen, M.	Sieben, H.	Spkr. Norton
Corbid	Kahn	Nelson	Sieben, M.	
Eken	Kalis	Norman	Simoneau	

Those who voted in the negative were:

Aasness	Drew	Kaley	Nysether	Sherwood
Adams	Elioff	Kostohryz	Olsen	Stadum
Ainley	Erickson	Kroening	Onnen	Stowell
Albrecht	Esau	Kvam	Osthoff	Sviggum
Anderson, D.	Evans	Laidig	Peterson, B.	Swanson
Anderson, I.	Forsythe	Levi	Peterson, D.	Thiede
Anderson, R.	Friedrich	Ludeman	Piepho	Valan
Battaglia	Fritz	Luknic	Prahl	Valento
Begich	Fudro	Mann	Redalen	Waldorf
Biersdorf	Halberg	McCarron	Rees	Weaver
Blatz	Heap	McDonald	Reif	Welker
Brinkman	Heinitz	McEachern	Rice	Wieser
Byrne	Hoberg	Mehrkens	Rodriguez	Wigley
Carlson, D.	Hokanson	Metzen	Rose	Zubay
Carlson, L.	Jacobs	Minne	Rothenberg	
Crandall	Jennings	Murphy	Sarna	
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	
Den Ouden	Jude	Niehaus	Searle	

The motion did not prevail.

Progress by the Conference Committee was reported to the House on the following bills: H. F. No. 2470 and S. F. Nos. 133, 1649 and 2095.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2429:

Corbid, Kelly, and Sviggum.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2304, A bill for an act relating to initiative; proposing an amendment to the Minnesota Constitution, Article VII by adding a section; authorizing initiative on laws; providing a statute implementing the amendment; providing for the manner of petitioning and voting on initiative measures; providing for disclosure of campaign costs on ballot issues; providing that expenditures to promote or defeat a measure may not be taken as a deduction or credit against income taxes; providing for judicial review; providing penalties; amending Minnesota Stat-

utes 1978, Sections 10A.01, Subdivision 15; 10A.20, by adding a subdivision; 203A.31, Subdivisions 2 and 3; 204A.24; 204A.40, Subdivision 2; 204A.53, Subdivision 3; 290.09, Subdivision 2; 290.21, Subdivision 3; and 645.02.

PATRICK E. FLAHAVER, Secretary of the Senate

Anderson, I., moved that the House refuse to concur in the Senate amendments to H. F. No. 2304, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

The question was taken on the motion and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 64 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Adams	Corbid	Kalis	Nelsen, M.	Sieben, H.
Anderson, G.	Eken	Kelly	Nelson	Sieben, M.
Anderson, I.	Elioff	Kostohryz	Novak	Simoneau
Battaglia	Ellingson	Kroening	Osthoff	Swanson
Begich	Faricy	Long	Otis	Tomlinson
Berglin	Fudro	Mann	Patton	Vanasek
Berkelman	Greenfield	McCarron	Pehler	Voss
Brinkman	Hokanson	McEachern	Peterson, D.	Waldorf
Byrne	Jacobs	Metzen	Prahl	Welch
Carlson, L.	Jaros	Minne	Reding	Wenzel
Casserly	Johnson, C.	Moe	Rice	Wynia
Clark	Jude	Munger	Rodriguez	Spkr. Norton
Clawson	Kahn	Murphy	Sarna	

Those who voted in the negative were:

Aasness	Erickson	Kaley	Nysether	Searle
Ainley	Esau	Kempe	Olsen	Sherwood
Albrecht	Evans	Kvam	Onnen	Stadum
Anderson, B.	Fjoslien	Laidig	Peterson, B.	Stowell
Anderson, D.	Forsythe	Levi	Piepho	Sviggum
Anderson, R.	Halberg	Ludeman	Pleasant	Thiede
Biersdorf	Haukoos	Luknic	Redalen	Valan
Blatz	Heap	McDonald	Rees	Valento
Crandall	Heinitz	Mehrkens	Reif	Weaver
Dempsey	Hoberg	Nelsen, B.	Rose	Welker
Den Ouden	Jennings	Niehaus	Rothenberg	Wigley
Drew	Johnson, D.	Norman	Schreiber	Zubay

The motion prevailed.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1201

A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; stating the evidentiary effect of certain blood tests; altering certain safety requirements and motor noise limits; providing an outline for distributing water safety enforcement funds; appropriating money; amending Minnesota Statutes 1978, Sections 361.02, by adding subdivisions; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.18; 361.20; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; 361.27, Subdivision 1; and 361.29, Subdivision 4; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1201, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1201 be further amended as follows:

Page 3, line 5, delete "\$7.50" and insert "\$7"

Page 3, line 7, delete "\$10" and insert "\$12"

Page 7, line 3, delete "No rule"

Page 7, delete lines 9 and 10

Page 8, line 19, strike the second "such" and insert "the"

Page 8, line 23, strike "refuse such" and insert "refuses the"

Page 8, line 24, strike "such" and insert "the"

Page 10, line 5, after "patrol," insert "removal of hazards to navigation,"

Page 10, lines 20 and 21, delete the new language

Page 11, line 3, delete everything after "Subd. 3."

Page 11, delete lines 4 to 5

Page 11, line 6, delete "watercraft safety,"

Page 11, line 6, after "require" delete "the" and insert "a"

Page 11, line 8, delete everything after "adequately"

Page 11, line 9, delete "enforce watercraft safety" and insert "carry out the provisions of chapter 361"

Page 11, line 9, after "county" delete "board"

Page 11, line 10, delete "an adequate" and insert "a"

Page 11, line 10, after "budget" insert "or fails to carry out the proposed activities after submitting a budget"

Page 13, delete lines 8 to 24

Page 13, line 28, delete everything after "1981" and insert a period

Page 13, delete line 29

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

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

Page 1, line 7, delete "and motor noise limits"

Page 1, line 9, delete "appropriating money;"

Page 1, line 16, after "361.24;" insert "and"

Page 1, line 17, delete everything after the first semicolon

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

House Conferees: DOUGLAS W. CARLSON, PHYLLIS L. KAHN and WILLARD M. MUNGER.

Senate Conferees: ROBERT G. DUNN, JIM NICHOLS and COLLIN C. PETERSON.

Carlson, D., moved that the report of the Conference Committee on H. F. No. 1201 be adopted and that the bill be repassed as amended by the Conference Committee.

Begich moved that the House refuse to adopt the Conference Committee report on H. F. No. 1201 and that the bill be returned to Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Begich motion and the roll was called.

Carlson, D., moved that those not voting be excused from voting. The motion prevailed.

There were 60 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Aasness	Brinkman	Hokanson	Metzen	Rose
Adams	Byrne	Jacobs	Minne	Sarna
Ainley	Carlson, L.	Jennings	Murphy	Simoneau
Albrecht	Corbid	Johnson, C.	Novak	Stadum
Anderson, D.	Crandall	Johnson, D.	Nysether	Sviggum
Anderson, I.	Eken	Jude	Onnen	Swanson
Anderson, R.	Elioff	Kalis	Osthoff	Thiede
Battaglia	Fjoslien	Kempe	Patton	Tomlinson
Begich	Fritz	Kroening	Prahl	Valan
Berkelman	Fudro	Luknic	Reding	Weaver
Biersdorf	Haukoos	McCarron	Rice	Wenzel
Blatz	Hoberg	McEachern	Rodriguez	Wieser

Those who voted in the negative were:

Anderson, B.	Erickson	Jaros	Mann	Otis
Anderson, G.	Esau	Kahn	McDonald	Pehler
Berglin	Evans	Kaley	Mehrrens	Peterson, B.
Carlson, D.	Ewald	Kelly	Moe	Peterson, D.
Casserly	Faricy	Knickerbocker	Munger	Piepho
Clark	Forsythe	Kostohryz	Nelsen, B.	Pleasant
Clawson	Friedrich	Laidig	Nelsen, M.	Redalen
Dempsey	Greenfield	Lehto	Nelson	Rees
Den Ouden	Halberg	Levi	Niehaus	Reif
Drew	Heap	Long	Norman	Rothenberg
Ellingson	Heinitz	Ludeman	Olsen	Schreiber

Searle	Sieben, M.	Vanasek	Welch	Wynia
Sherwood	Stowell	Voss	Welker	Zubay
Sieben, H.	Valento	Waldorf	Wigley	Spkr. Norton

The motion did not prevail.

The question recurred on the Carlson, D., motion that the report of the Conference Committee on H. F. No. 1201 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1201, A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; stating the evidentiary effect of certain blood tests; altering certain safety requirements and motor noise limits; providing an outline for distributing water safety enforcement funds; appropriating money; amending Minnesota Statutes 1978, Sections 361.02, by adding subdivisions; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.18; 361.20; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; 361.27, Subdivision 1; and 361.29, Subdivision 4; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 73 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Faricy	Laidig	Otis	Stowell
Anderson, G.	Forsythe	Lehto	Pehler	Sviggum
Berglin	Friedrich	Levi	Peterson, B.	Thiede
Blatz	Greenfield	Long	Peterson, D.	Valento
Carlson, D.	Halberg	Mann	Piepho	Vanasek
Cassery	Haukoos	McDonald	Pleasant	Voss
Clark	Heap	Mehrkens	Redalen	Waldorf
Clawson	Heinitz	Moe	Rees	Weaver
Den Ouden	Hoberg	Munger	Reif	Welker
Drew	Jaros	Nelsen, B.	Rothenberg	Wigley
Ellingson	Kahn	Nelsen, M.	Schreiber	Wynia
Erickson	Kaley	Nelson	Searle	Zubay
Esau	Kalis	Norman	Sieben, H.	Spkr. Norton
Evans	Knickerbocker	Olsen	Sieben, M.	
Ewald	Kostohryz	Onnen	Simoneau	

Those who voted in the negative were :

Aasness	Byrne	Jennings	Minne	Sarna
Adams	Carlson, L.	Johnson, C.	Murphy	Sherwood
Ainley	Corbid	Johnson, D.	Niehaus	Stadum
Albrecht	Crandall	Jude	Novak	Swanson
Anderson, D.	Dempsey	Kelly	Nysether	Tomlinson
Anderson, I.	Eken	Kempe	Osthoff	Valan
Anderson, R.	Eloff	Kroening	Patton	Welch
Battaglia	Fjoslien	Ludeman	Prahl	Wenzel
Begich	Fritz	Luknic	Reding	Wieser
Berkelman	Fudro	McCarron	Rice	
Biersdorf	Hokanson	McEachern	Rodriguez	
Brinkman	Jacobs	Metzen	Rose	

The bill was repassed, as amended by Conference, and its title agreed to.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 644:

Berkelman, Heinitz and Reif.

There being no objection the order of business reverted to Petitions and Communications.

PETITIONS AND COMMUNICATIONS

The following communication was received :

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 7, 1980

Honorable Fred C. Norton
Speaker of the House
House of Representatives
State Capitol Building
Saint Paul, Minnesota 55155

Dear Speaker Norton :

Returned to you herewith please find House File No. 1837. Section 4, Subdivision 3 of this Act is unacceptable, and I am, therefore, compelled to veto this legislation.

Section 1 of the Act, authorizing issuance of temporary insurance licenses under certain circumstances, and Sections 2 and 3 of the Act, extending the Joint Underwriting Association Act

until September 1, 1982, are sound legislative measures. Had these measures been sent to me without the amendment of Section 4 to the Act, I would be able to sign H. F. No. 1837.

However, the provision of Section 4 which voids the workers compensation rate hearing which is presently in progress is not a constructive step in addressing the high workers compensation premium rates in Minnesota. Arbitrarily stopping this hearing would waste thousands of hours of time and hundreds of thousands of taxpayers' and employers' dollars already spent on the current hearing. Further, the credibility of the administrative rate-making process established by the legislature would be destroyed to the long-run detriment of employers, injured employees and insurers.

The main intent of the legislature, as embodied in Section 4, Subdivision 1 of this Act, will be accomplished by the Commissioner of Insurance. It is not acceptable to cancel the hearing.

Therefore, while I am vetoing H. F. No. 1837, I am taking steps to assure that the Commissioner of Insurance has all of the necessary information about Minnesota's workers compensation business available to him during the current rate-making hearing. I have directed Commissioner Markman to work with the Hearing Examiner to assure that the Workers Compensation Rating Association provide all of the significant and relevant information based solely on Minnesota workers compensation policies which is required for the Commissioner to make a fully-informed decision on workers compensation rates.

This administrative procedure will assure that workers compensation rates are decided in an open forum with full information available to all interested parties without wasting the significant time and resources already committed to the current rate hearing. Though I am vetoing this Act, I am confident that the problem addressed by the legislature will be solved and that we will continue to take every responsible step available to reach a solution to our workers compensation problem in Minnesota.

Sincerely yours,

ALBERT H. QUIE
Governor

Carlson, L., moved that H. F. No. 1837 be now reconsidered and repassed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

The question was taken on the motion to reconsider and repass H. F. No. 1837, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the

State of Minnesota and the roll was called viva voce. There were 80 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Adams	Clawson	Johnson, C.	Moe	Sieben, H.
Anderson, B.	Corbid	Johnson, D.	Munger	Sieben, M.
Anderson, G.	Drew	Jude	Murphy	Simoneau
Anderson, I.	Eken	Kahn	Nelsen, M.	Stadum
Anderson, R.	Elioff	Kalis	Nelson	Stowell
Battaglia	Ellingson	Kelly	Novak	Swanson
Begich	Evans	Kempe	Osthoff	Tomlinson
Berglin	Faricy	Kostohryz	Otis	Valan
Berkelman	Fjoslien	Kroening	Patton	Vanasek
Blatz	Fudro	Lehto	Pehler	Voss
Brinkman	Greenfield	Long	Peterson, D.	Waldorf
Byrne	Halberg	Mann	Prahl	Welch
Carlson, D.	Hoberg	McCarron	Reding	Wenzel
Carlson, L.	Hokanson	McEachern	Rice	Wieser
Casserly	Jacobs	Metzen	Rodriguez	Wynia
Clark	Jaros	Minne	Sarna	Spkr. Norton

Those who voted in the negative were:

Aasness	Forsythe	Levi	Peterson, B.	Sviggum
Ainley	Friedrich	Ludeman	Piepho	Thiede
Albrecht	Fritz	Luknic	Pleasant	Valento
Anderson, D.	Haukoos	McDonald	Redalen	Weaver
Biersdorf	Heap	Mehrkens	Rees	Welker
Crandall	Heinitz	Nelsen, B.	Reif	Wigley
Dempsey	Jennings	Niehaus	Rose	Zubay
Den Ouden	Kaley	Norman	Rothenberg	
Erickson	Knickerbocker	Nysether	Schreiber	
Esau	Kvam	Olsen	Searle	
Ewald	Laidig	Onnen	Sherwood	

Not having received the required two-thirds vote the bill was not repassed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2304:

Sieben, M.; Pehler and Kempe.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1847

A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; appropriating money.

April 3, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1847, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1847 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. The commissioner of public welfare shall undertake a study to further develop, analyze, and evaluate suggested revisions to the current rate reimbursement system established pursuant to Minnesota Statutes, Sections 256B.41 to 256B.48. In the study, the commissioner shall analyze the fiscal impact of the suggested rate reimbursement formula on nursing homes in the state and on the medical assistance program budget. The study shall also analyze the revisions of the current system to determine if they are designed to improve the system's equitable treatment of nursing homes, control costs and cost increases, reduce administrative complexity, provide capability for better biennial budgeting for nursing home care by the commissioner, and place the commissioner's primary concerns on fair and equitable reimbursement and enforcement. The revisions studied shall provide for reimbursement of capital costs according to a rental concept of payment based upon an initial appraised value of fixed assets and land that will be updated according to an index or indices. The commissioner shall prepare a report for the legislature before December 31, 1980, which shall include cost analyses, implementation strategies and suggestions regarding changes in rule and statutory language needed to incorporate the revisions into the nursing home rate reimbursement system. The rule and statutory language changes in the report shall address allowable costs, capital costs, operating costs and exceptions.

Sec. 2. Minnesota Statutes 1978, Section 256B.47, is amended by adding a subdivision to read:

Subd. 5. The commissioner shall promulgate rules no later than August 1, 1980, to amend the current rules governing nursing home reimbursement, in accordance with sections 15.0411 to 15.052, to allow providers to allocate their resources in order to provide as many nursing hours as necessary within the total cost limitations of the per diem already granted.

Sec. 3. [STATEMENT OF PURPOSE.] *The legislature finds that general health is related to dental health and, due to*

the increased longevity of the population, the expansion of the nursing home industry, and the existing unmet and continuing needs for dental health in nursing homes, it is appropriate and necessary to establish programs for residents of nursing homes which promote dental health and prevent dental disease.

Sec. 4. [PROGRAM ASPECTS.] *Subdivision 1. The commissioner of health shall provide for the establishment of nursing home dental health programs as provided in this section.*

Subd. 2. The commissioner shall:

(a) Develop, maintain, and distribute to nursing homes a dental health manual which identifies their administrative and patient care responsibilities and which recommends a local dental health policy;

(b) Establish, in conjunction with the dental profession, nursing home dental health standards, priorities of dental operations and guidelines for advisory dentists;

(c) Review existing nursing home dental health regulations to insure their consistency with current oral health standards;

(d) Seek the cooperation and coordination of a joint state-wide effort between the dental profession, the nursing home industry and senior citizen organizations to promote the purpose of this section; and

(e) Provide technical dental health assistance, dental consultation, and current dental health information to nursing homes.

Subd. 3. *In each of the eight health department districts, the commissioner shall establish during the biennial cycle a specific site program for nursing homes each to include:*

(a) The analysis and identification of resident dental care needs and obstacles to access and the achievement of optimal oral health care and maintenance; and

(b) A training program of preventive oral health practices for nursing home staff.

Sec. 5. [PROGRAM SUPERVISION.] *The commissioner shall provide for all administrative and technical responsibilities for section 4. The development and administration of the program shall be under a licensed dentist.*

Sec. 6. [REPORT.] *The commissioner shall compile, analyze, and evaluate programmatic data and accomplishments re-*

lated to sections 4 and 5 and submit a report to the legislature by April 15, 1981.

Sec. 7. Minnesota Statutes 1978, Chapter 253A, is amended by adding a section to read:

[253A.22] [EVALUATION PROGRAM FOR COMMITTED PERSONS.] *Subdivision 1. The committing court in each county shall participate in a statewide results-oriented evaluation program designed to assure that each person it orders committed pursuant to section 253A.07 shall receive the best possible treatment plan. In order to implement the program, the court shall appoint for each committed person, upon that person's hospitalization for an indeterminate period, a counsel guardian for the duration of the person's period of commitment.*

Subd. 2. For each patient assigned to the counsel guardian, the guardian shall obtain from the head of the hospital where the patient is institutionalized, as soon as practical after hospitalization and at the beginning of treatment, a written report describing the significant cognitive, emotional and behavioral problems of the patient and a clinical diagnosis of those problems. The guardian shall file the report with the committing court. Upon completion of a specific plan of treatment for a patient, the counsel guardian shall file a written report with the court indicating the type of treatment administered; the length of and cost incurred for the treatment; and the results obtained in light of the original diagnosis of each identified problem of the patient. Each report required under this subdivision shall refer to the patient by use of a numerical code in order to protect the patient's privacy. The head of a hospital to which a person has been committed pursuant to chapter 253A, shall make treatment information available to counsel guardians and otherwise assist guardians to carry out the provisions of this section.

Subd. 3. In order to further the purposes of this section, the commissioner of public welfare shall develop and maintain a program of collection and compilation of statistics relating to treatment of patients. The data shall be derived from the reports required to be filed by guardians pursuant to subdivision 2. The commissioner shall provide a statistical summary of data relating to committed persons for each committing court and for the state as a whole. The commissioner shall prepare data in code and shall ensure that only the commissioner or his designate has access to the names of the patients, guardians and clinical diagnosticians.

Subd. 4. The judges of probate court may designate judges of probate to serve on a panel whose purpose shall be to analyze the impact, positive or negative, or both, of treatment upon committed persons. The panel may request statistical analysis relating to treatment of patients from the commissioner of public welfare. The panel shall consult with a recognized state medical

psychiatric organization prior to dissemination of the data amongst the two professions, law and medicine.

Sec. 8. [APPROPRIATION.] *Subdivision 1. The sum of \$40,000 is appropriated from the general fund to the commissioner of public welfare for use in implementing an analysis and fiscal evaluation of suggested revisions to the nursing home rate reimbursement formula. This appropriation is available until January 1, 1981.*

Subd. 2. The sum of \$40,000 is appropriated from the general fund to the commissioner of public welfare for the purpose of providing an ongoing computer based information retrieval system that includes the annual cost report information and the balance sheet and statement of changes in financial position from the audited financial statement required by section 256B.48, subdivision 2, clause (a). This appropriation is available until June 30, 1981.

Subd. 3. The sum of \$60,000 is appropriated from the general fund to the commissioner of health for nursing home dental health programs, to be available until June 30, 1981.

Subd. 4. The sum of \$10,000 is appropriated from the general fund to the commissioner of public welfare for the purposes of section 7 to be available until June 30, 1981.

Sec. 9. [TEMPORARY PROVISION.] *The commissioner of corrections shall amend 11 MCAR Section 2.111 (G)(1.) by striking the word "Health" and insert the word "Corrections."*

Notwithstanding sections 15.0411 to 15.052, the amendment shall be effective on the day following its publication in the State Register.

Sec. 10. [EFFECTIVE DATE.] *This act is effective the day following its final enactment. Sections 3, 4, 5 and 6 shall expire June 30, 1981 and section 7 shall expire June 30, 1983."*

Delete the title in its entirety and insert:

"A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; providing for an information retrieval system; providing for nursing home dental health programs; requiring result-oriented treatment programs and counsel guardians for persons committed to hospitals; requiring the commissioner to collect and prepare statistical data; appropriating money; amending Minnesota Statutes 1978, Section 256B.47, by adding a subdivision; and Chapter 253A, by adding a section."

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

House Conferees: JOHN T. CLAWSON, TONY D. ONNEN and THOMAS R. BERKELMAN.

Senate Conferees: GERRY SIKORSKI, JOHN B. KEEFE and TOM A. NELSON.

Clawson moved that the report of the Conference Committee on H. F. No. 1847 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1847, A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; appropriating money.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kaley	Niehaus	Sieben, H.
Adams	Elioff	Kalis	Norman	Sieben, M.
Ainley	Ellingson	Kelly	Novak	Simoneau
Albrecht	Erickson	Kempe	Nysether	Stadum
Anderson, B.	Esau	Knickerbocker	Olsen	Stowell
Anderson, D.	Evans	Kostohryz	Onnen	Sviggum
Anderson, G.	Ewald	Kroening	Osthoff	Swanson
Anderson, I.	Faricy	Kvam	Otis	Thiede
Anderson, R.	Fjoslien	Laidig	Patton	Tomlinson
Battaglia	Forsythe	Lehto	Pehler	Valan
Begich	Friedrich	Long	Peterson, B.	Valento
Berglin	Fritz	Ludeman	Peterson, D.	Vanasek
Berkelman	Fudro	Luknic	Piepho	Voss
Blatz	Greenfield	Mann	Pleasant	Waldorf
Brinkman	Haukoos	McCarron	Prahl	Weaver
Byrne	Heap	McDonald	Redalen	Welch
Carlson, D.	Heinitz	McEachern	Reding	Welker
Carlson, L.	Hoberg	Mehrkens	Rees	Wenzel
Casserly	Hokanson	Metzen	Reif	Wieser
Clark	Jacobs	Minne	Rice	Wigley
Clawson	Jaros	Moe	Rodriguez	Wynia
Corbid	Jennings	Munger	Rose	Zubay
Crandall	Johnson, C.	Murphy	Rothenberg	Spkr. Norton
Dempsley	Johnson, D.	Nelsen, B.	Sarna	
Den Ouden	Jude	Nelsen, M.	Searle	
Drew	Kahn	Nelson	Sherwood	

The bill was repassed, as amended by Conference, and its title agreed to.

SPECIAL ORDERS

S. F. No. 2085 was reported to the House.

Simoneau moved to amend S. F. No. 2085, the unofficial engrossment, as follows:

Page 11, line 30, delete "*and*" and insert "*, or*"

Page 13, line 3, delete "*and*"

Page 13, line 6, delete the period and insert "*; and*"

Page 18, line 29, delete "*given the option of*"

Page 18, delete line 30

Page 18, line 31, delete "*standard negotiated packages or being*"

Page 19, line 11, delete "*given the option of using the difference*"

Page 19, delete line 12

Page 19, line 13, delete "*packages or being*"

Page 24, line 9, after "*expired*" insert "*or, if there is no agreement, impasse under sections 31 or 32 has occurred*"

Page 24, line 12, delete the first comma and insert a semicolon

Page 24, line 12, after "*teachers*" insert "*employed by a local school district*"

Page 24, line 15, after "*agreement*" insert "*; and further provided that the mediation periods established by sections 31 and 32 shall govern negotiations pursuant to those sections*"

Page 24, line 21, after "*agreement*" insert "*or, if there is no agreement, on or after the date impasse under sections 31 or 32 has occurred*"

Page 24, line 33, delete "*interim*"

Page 24, line 33, after "*approval*" insert "*during a legislative interim*"

Page 25, line 5, after "*approved*" insert "*during a legislative interim*"

Page 28, line 14, delete "38" and insert "40"

Page 29, line 4, after "employer" insert a comma

Page 29, line 7, delete "40" and insert "41"

Page 32, line 33, after the period, insert "The director shall determine the matters not agreed upon based on the positions submitted by the parties and his efforts to mediate the dispute."

Page 33, line 6, after "representative" insert "of teachers employed by a local school district"

Page 33, line 12, delete "subclauses (a) and (b) of"

Page 33, line 13, delete "not"

Page 33, line 13, after the comma insert "however,"

Page 33, line 15, delete "teacher" and insert "teachers"

Page 33, line 23, after "representative" insert "of the teachers"

Page 34, line 1, after "representative" insert "of employees other than teachers employed by a local school district"

Page 34, line 4, delete everything before "shall" and insert "clause (1) of section 22"

Page 34, line 4, delete "not"

Page 34, line 5, after the comma insert "however,"

Page 34, line 25, delete "38" and insert "40"

Page 35, line 20, delete "requested" and insert "requested"

Page 37, line 7, delete "38" and insert "40"

Page 37, line 9, delete "38" and insert "40"

Page 37, line 10, delete "38" and insert "40"

Page 37, line 12, delete "38" and insert "40"

Page 37, line 13, delete "38" and insert "40"

Page 39, line 10, delete "38" and insert "40"

Page 39, line 18, delete "38" and insert "40"

Page 40, line 21, delete "38" and insert "40"

Page 42, line 4, delete "179.74, subdivision 4," and insert "38"

Page 46, line 33, delete "Duluth" and insert "Outstate"

Page 45, line 18, before "All" insert "*Subject to the provisions of section 41, subdivision 5*"

Page 46, line 31, after "fellow" insert a comma

Page 47, line 9, after "director" insert "*, provided that such an election shall not be held unless and until the Duluth campus has voted in favor of representation*"

Page 47, line 13, delete "when" and insert "and"

Page 47, line 16, after "or" insert "*, after January 1, 1981,*"

Page 50, line 3, delete "38" and insert "40"

Page 50, line 9, delete "38" and insert "40"

Page 50, line 16, delete "38" and insert "40"

Page 50, line 19, delete "38" and insert "40"

Page 50, line 32, delete "38" and insert "40"

Page 51, line 4, delete "38" and insert "40"

Page 51, line 7, delete "38" and insert "40"

Page 51, line 11, delete "38" and insert "40"

Page 51, line 28, delete "38" and insert "40"

Page 53, line 11, delete "38" and insert "40"

Page 53, line 23, delete "38" and insert "40"

Page 54, line 12, delete "32" and insert "34"

Page 54, line 21, delete "38" and insert "40"

Page 55, line 24, delete "1982-1983" and insert "1981-1983"

Page 56, line 24, after "representative" insert "*, under the provisions of section 27,*"

Page 56, line 25, delete "*this section*" and insert "*section 27*"

The motion prevailed and the amendment was adopted.

Sviggum and McDonald moved to amend S. F. No. 2085, the unofficial engrossment, as amended, as follows:

Page 24, line 11, delete "*30*" and insert "*60*"

Page 24, line 13, delete "*30*" and insert "*60*"

Page 24, line 25, delete "*or*" and insert "*and*"

Page 24, delete line 26

Page 24, line 27, delete "*and*" and insert "*(d)*"

Page 24, line 29, delete "*(3)*" and insert "*(2)*"

Page 24, line 31, delete "*(4)*" and insert "*(3)*"

Page 25, line 10, delete "*(3) or (4)*" and insert "*(2) or (3)*"

Page 31, line 14, delete "*30*" and insert "*60*"

Page 31, line 26, delete "*or,*" and insert "*the exclusive representative and the employer have participated in mediation for the period required in Section 22, and*

Page 33, line 29, delete "*30*" and insert "*60*"

Page 34, line 19, delete "*30*" and insert "*60*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion did not prevail.

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

There were 72 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, B.	Anderson, G.	Blatz	Carlson, D.
Albrecht	Anderson, D.	Biersdorf	Brinkman	Crandall

Dempsey	Haukoos	Ludeman	Patton	Svigum
Den Ouden	Heap	Luknic	Peterson, B.	Thiede
Drew	Heinitz	Mann	Piepho	Valan
Eken	Jennings	McDonald	Pleasant	Valento
Erickson	Johnson, C.	Mehrkens	Redalen	Weaver
Esau	Johnson, D.	Munger	Rees	Welch
Evans	Kaley	Nelsen, B.	Reif	Welker
Ewald	Kalis	Nelson	Rose	Wieser
Fjoslien	Kempe	Niehaus	Rothenberg	Wigley
Forsythe	Knickerbocker	Norman	Schreiber	Zubay
Friedrich	Kvam	Nysether	Searle	
Fritz	Laidig	Olsen	Sherwood	
Halberg	Levi	Onnen	Stadum	

Those who voted in the negative were:

Adams	Corbid	Kelly	Novak	Simoneau
Ainley	Elioff	Kostohryz	Osthoff	Stoa
Anderson, I.	Ellingson	Kroening	Otis	Stowell
Anderson, R.	Faricy	Lehto	Pehler	Swanson
Battaglia	Fudro	Long	Peterson, D.	Tomlinson
Begich	Greenfield	McCarron	Prahl	Vanasek
Berglin	Hoberg	McEachern	Reding	Waldorf
Berkelman	Hokanson	Metzen	Rice	Wenzel
Carlson, L.	Jacobs	Minne	Rodriguez	Wynia
Casserly	Jaros	Moe	Sarna	Spkr. Norton
Clark	Jude	Murphy	Sieben, H.	
Clawson	Kahn	Nelsen, M.	Sieben, M.	

The motion prevailed and the amendment was adopted.

Ludeman moved to amend S. F. No. 2085, the unofficial engrossment, as amended, as follows:

Page 21, after line 23, insert:

"Sec. 19. Minnesota Statutes 1978, Section 124.19 is amended by adding a subdivision to read:

Subd. 1a. In a school district where a legal strike pursuant to section 22 of this act results in the closing of the school to students, state aids payable to the school district shall be reduced by the ratio that the difference between the number of student school days scheduled for that school year in accordance with section 126.12 and the number of days school is actually held bears to the number of student school days scheduled, multiplied by 85 percent of the product of the district's foundation aid formula allowance times its pupil units identified in section 124.17, subdivision 2, clauses (1), (2), (4) and (5), for that year. The amount of aid to be withheld under the provisions of this subdivision shall be determined by the department of education and deducted from school aids authorized by sections 124.212, then if necessary from schools aids authorized by sections 124.225; 124.57; 124.573; and 124.32."

Page 28, after line 9, insert:

"Sec. 27. Minnesota Statutes 1978, Section 179.64 is amended by adding a subdivision to read:

Subd. 8. In a school district where a legal strike pursuant to section 22 results in the closing of the schools for students, the school board shall not through negotiations or in any other manner either provide for additional periods of paid employment to make up time lost on account of a strike by its public employees or otherwise indemnify those employees for compensation lost during the duration of the strike. Any contract provision entered into or action taken by a public employer in violation of this subdivision shall be illegal and null and void."

Renumber the sections accordingly

Further, amend the title as follows:

Page 1, line 16, after "43.46;" insert "124.19, by adding a subdivision;"

Page 1, line 18, delete "a subdivision" and insert "subdivisions"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 41 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Jennings	Piepho	Thiede
Albrecht	Esau	Kalis	Pleasant	Valan
Anderson, B.	Evans	Kvam	Redalen	Valento
Anderson, D.	Fjoslien	Laidig	Reif	Welker
Brinkman	Forsythe	Levi	Rose	Wigley
Crandall	Fritz	Ludeman	Schreiber	
Dempsey	Halberg	Niehaus	Searle	
Den Ouden	Haukoos	Nysether	Sherwood	
Drew	Heinitz	Patton	Stadum	

Those who voted in the negative were:

Adams	Begich	Carlson, D.	Eken	Fudro
Ainley	Berglin	Carlson, L.	Elioff	Greenfield
Anderson, G.	Berkelman	Cassery	Ellingson	Heap
Anderson, I.	Biersdorf	Clark	Ewald	Hoberg
Anderson, R.	Blatz	Clawson	Farcy	Hokanson
Battaglia	Byrne	Corbid	Friedrich	Jacobs

Jaros	Long	Nelsen, M.	Reding	Swanson
Johnson, C.	Luknic	Nelson	Rees	Tomlinson
Johnson, D.	Mann	Norman	Rice	Vanasek
Jude	McCarron	Novak	Rodriguez	Voss
Kahn	McEachern	Olsen	Rothenberg	Waldorf
Kaley	Mehrkens	Onnen	Sarna	Weaver
Kelly	Metzen	Osthoff	Sieben, H.	Welch
Kempe	Minne	Otis	Sieben, M.	Wenzel
Knickerbocker	Moe	Pehler	Simoneau	Wieser
Kostohryz	Munger	Peterson, B.	Stoa	Wynia
Kroening	Murphy	Peterson, D.	Stowell	Zubay
Lehto	Nelsen, B.	Prahl	Sviggum	Spkr. Norton

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

Jaros moved to amend S. F. No. 2085, the unofficial engrossment, as amended, as follows:

Page 28, lines 22 to 33, delete the new and reinstate the old language

Page 29, lines 1 to 10, delete the new language

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

Ludeman moved to amend S. F. No. 2085, the unofficial engrossment, as amended, as follows:

Page 50, line 13, after "that" delete *"the petitioner is certified pursuant"* and insert *"more than 50 percent of the employees included within a unit established by section 38 wish to be represented by the petitioner, where this majority is evidenced by membership lists, current dues deduction rights, signed statements plainly indicating that the signatories wish to be represented for collective bargaining purposes by the petitioner rather than by any other organization, or a combination thereof."*

Page 50, delete lines 14 to 33

Page 51, delete lines 1 to 20

Page 51, line 21, delete "(2)" and insert "Subd. 3. [NO EXISTING MAJORITY.]"

Page 51, line 22, delete *"or subdivision 3, clause (1)"*

Page 52, delete lines 8 to 15

Renumber the remaining subdivision

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 69 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kaley	Nysether	Stadum
Ainley	Ewald	Kalis	Olsen	Stowell
Albrecht	Faricy	Kempe	Onnen	Sviggum
Anderson, B.	Fjoslien	Knickerbocker	Peterson, B.	Thiede
Anderson, D.	Forsythe	Kvam	Piepho	Tomlinson
Anderson, G.	Friedrich	Laidig	Pleasant	Valan
Biersdorf	Fritz	Levi	Redalen	Valento
Blatz	Halberg	Ludeman	Rees	Weaver
Crandall	Haukoos	Luknic	Reif	Welker
Dempsey	Heap	McDonald	Rose	Wieser
Den Ouden	Heinitz	Mehrkens	Rothenberg	Wigley
Drew	Hoberg	Nelsen, B.	Schreiber	Wynia
Erickson	Jennings	Niehaus	Searle	Zubay
Esau	Johnson, D.	Norman	Sherwood	

Those who voted in the negative were:

Adams	Clawson	Kelly	Nelsen, M.	Sieben, H.
Anderson, I.	Corbid	Kostohryz	Nelson	Sieben, M.
Anderson, R.	Eken	Kroening	Novak	Simoneau
Battaglia	Elioff	Lehto	Osthoff	Stoa
Begich	Ellingson	Long	Otis	Swanson
Berglin	Fudro	Mann	Patton	Vanasek
Berkelman	Greenfield	McCarron	Pehler	Voss
Brinkman	Hokanson	McEachern	Peterson, D.	Waldorf
Byrne	Jacobs	Metzen	Prahl	Welch
Carlson, D.	Jaros	Minne	Reding	Wenzel
Carlson, L.	Johnson, C.	Moe	Rice	Sprk. Norton
Casserly	Jude	Munger	Rodriguez	
Clark	Kahn	Murphy	Sarna	

The motion prevailed and the amendment was adopted.

Simoneau moved that S. F. No. 2085, as amended, be continued on Special Orders. The motion prevailed.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on

the amendments adopted by the Senate to the following House File:

H. F. No. 1731, A bill for an act relating to labor; regulating certain steam engines and boilers and steam engine and boiler operators; amending Minnesota Statutes 1978, Chapter 183, by adding a section.

The Senate has appointed as such committee Messrs. Chmielewski, Vega and Pillsbury.

House File No. 1731 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1813, A bill for an act relating to public finance; authorizing the issuance of Minnesota state railroad assistance bonds; appropriating money; amending Minnesota Statutes 1978, Chapter 222, by adding a section.

The Senate has appointed as such committee Messrs. Penny, Knoll and Barrette.

House File No. 1813 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2304, A bill for an act relating to initiative; proposing an amendment to the Minnesota Constitution, Article VII by adding a section; authorizing initiative on laws; providing a statute implementing the amendment; providing for the man-

ner of petitioning and voting on initiative measures; providing for disclosure of campaign costs on ballot issues; providing that expenditures to promote or defeat a measure may not be taken as a deduction or credit against income taxes; providing for judicial review; providing penalties; amending Minnesota Statutes 1978, Sections 10A.01, Subdivision 15; 10A.20, by adding a subdivision; 203A.31, Subdivisions 2 and 3; 204A.24; 204A.40, Subdivision 2; 204A.53, Subdivision 3; 290.09, Subdivision 2; 290.21, Subdivision 3; and 645.02.

The Senate has appointed as such committee Messrs. McCutcheon, Schaaf and Coleman.

House File No. 2304 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2023, A bill for an act relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring solid and hazardous waste management planning and development; establishing state and metropolitan procedures for the review and approval of permits for waste facilities; providing that certain solid waste disposal facilities are not exempt from real property taxes; authorizing the acquisition of property by purchase and eminent domain; authorizing debt; appropriating money; amending Minnesota Statutes 1978, Sections 116.06, Subdivisions 9, 10, 13, and by adding subdivisions; 116.07, Subdivisions 2, 4, and 4a, and by adding subdivisions; 116.081, Subdivision 1; 116.101; 116.41; 272.02, Subdivision 1; 400.03, Subdivision 1; 400.04; 400.06; 400.07; 400.13; 400.16; 400.161; 473.121, by adding a subdivision; 473.149; 473.502; 473.516; 473.801, Subdivision 1; 473.802; 473.803; 473.811; 473.813; 473.823, Subdivision 3, and by adding subdivisions; Chapter 400, by adding a section; and Chapter 473, by adding sections; repealing Minnesota Statutes 1978, Sections 116F.02, Subdivisions 3, 4, and 5; 116F.03; 116F.04; 116F.05, Subdivision 2; 400.03, Subdivisions 2 to 7; 473.121, Subdivisions 27 to 31c; 473.823, Subdivisions 1, 2, and 4; and Laws 1978, Chapter 728, Section 7.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1710, A bill for an act relating to energy; establishing a legislative commission on energy; stating energy policy; broadening the scope of state weatherization programs; creating a state emergency residential heating program; expanding energy awareness programs; creating a Minnesota biomass center; providing for an ethanol demonstration plant; providing grants and assistance for community energy planning; expanding consumer representation in certain energy hearings; regulating delinquency charges on customer or subscriber accounts; providing guidelines for a state plan for spending federal money; reimbursing counties for emergency energy assistance expenses; providing education on building energy efficiency; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 45.17, by adding a subdivision; 90.195; 116H.01; 116H.087; 116H.12, Subdivision 11; 116H.129, Subdivision 5; 216B.16, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that Mr. Bang has been appointed to replace Mr. Sillers as a Conferee on House File No. 1121.

PATRICK E. FLAHAVEN, Secretary of the Senate

SPECIAL ORDERS

Berglin moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

ADJOURNMENT

Berglin moved that when the House adjourns today it adjourn until 11:00 a.m., Wednesday, April 9, 1980. The motion prevailed.

Berglin moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Wednesday, April 9, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-SIXTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 9, 1980

The House of Representatives convened at 11:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kahn	Nelson	Sherwood
Adams	Eken	Kaley	Niehaus	Sieben, M.
Ainley	Elioff	Kalis	Norman	Simoneau
Albrecht	Ellingson	Kelly	Novak	Stadum
Anderson, B.	Erickson	Kempe	Nysether	Stoa
Anderson, D.	Esau	Knickerbocker	Olsen	Stowell
Anderson, G.	Evans	Kostohryz	Onnen	Sviggum
Anderson, I.	Ewald	Kroening	Osthoff	Swanson
Anderson, R.	Faricy	Kvam	Otis	Thiede
Battaglia	Fjoslien	Laidig	Patton	Tomlinson
Begich	Forsythe	Lehto	Pehler	Valan
Berglin	Friedrich	Levi	Peterson, B.	Valento
Berkelman	Fritz	Long	Peterson, D.	Vanasek
Biersdorf	Fudro	Ludeman	Piepho	Voss
Blatz	Greenfield	Luknic	Pleasant	Waldorf
Brinkman	Halberg	Mann	Prahl	Weaver
Byrne	Haukoos	McCarron	Redalen	Welch
Carlson, D.	Heap	McDonald	Reding	Welker
Carlson, L.	Heinitz	McEachern	Rees	Wenzel
Casserly	Hoberg	Mehrkens	Reif	Wieser
Clark	Hokanson	Metzen	Rice	Wigley
Clawson	Jacobs	Minne	Rodriguez	Wynia
Corbid	Jaros	Moe	Rose	Zubay
Crandall	Jennings	Munger	Rothenberg	Spkr. Norton
Dean	Johnson, C.	Murphy	Sarna	
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	
Den Ouden	Jude	Nelsen, M.	Searle	

A quorum was present.

Searles was excused. Sieben, H., was excused until 4:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. No. 2085 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 8, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	1145	486	April 7	April 7
	1169	487	April 7	April 7
	1272	488	April 7	April 7
	1451	489	April 7	April 7
	1655	490	April 7	April 7
	1742	491	April 7	April 7
	1765	492	April 7	April 7
	1779	493	April 7	April 7
	1790	494	April 7	April 7
	1794	495	April 7	April 7

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	1800	496	April 7	April 7
	1814	497	April 7	April 7
	1835	498	April 7	April 7
	1841	499	April 7	April 7
	1884	500	April 7	April 7
	1904	501	April 7	April 7
	1987	502	April 7	April 7
	2067	503	April 7	April 7
	2075	504	April 7	April 7
	2122	505	April 7	April 7
	2149	506	April 7	April 7
	2185	507	April 7	April 7
	2191	508	April 7	April 7
	2369	509	April 7	April 7
	2374	510	April 7	April 7
	2436	511	April 7	April 7
49		512	April 7	April 7
523		513	April 7	April 7
704		514	April 7	April 7
768		515	April 7	April 7
789		516	April 7	April 7
797		517	April 7	April 7
919		518	April 7	April 7
1759		519	April 7	April 7

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1980	Date Filed 1980
1865		520	April 7	April 7
2045		521	April 7	April 7
2062		522	April 7	April 7
2071		523	April 7	April 7
2117		524	April 7	April 7
2184		525	April 7	April 7

Sincerely,

JOAN ANDERSON-GROWE
Secretary of State

HOUSE ADVISORIES

The following House Advisory was introduced:

Anderson, R.; McCarron; Evans; Aasness and Fjoslien introduced:

H. A. No. 65, A proposal to study a solid waste demonstration project at Fergus Falls State Hospital.

The advisory was referred to the Committee on Appropriations.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 729, A bill for an act relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Section 256B.35.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1201, A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; altering certain safety requirements; providing an outline for distributing water safety enforcement funds; amending Minnesota Statutes 1978, Sections 361.02, by adding subdivisions; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.18; 361.20; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; and 361.27, Subdivision 1; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1435, A bill for an act relating to health; exempting out of state physicians from licensing regulations under certain conditions; abolishing the hospital administrator registration program; amending Minnesota Statutes 1978, Section 147.09; repealing Minnesota Statutes 1978, Sections 144.59 to 144.65.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1534, A bill for an act relating to real estate; increasing certain fees charged by the county recorder and registrar of titles; providing that the county recorder be notified of deferred assessments; amending Minnesota Statutes 1978, Sections 273.111, Subdivision 11; 357.18, Subdivision 1; 375.14; 429.061, Subdivision 2; 462.358, by adding a subdivision; and 508.82.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1612, A bill for an act relating to metropolitan government; providing for metropolitan area agricultural preserves; providing for municipal planning; authorizing regulation of subdivisions; providing a penalty; appropriating money; amending Minnesota Statutes 1978, Sections 462.351; 462.352, by adding subdivisions; 462.355, Subdivision 4; 462.358, Subdivision 4, and by adding subdivisions; repealing Minnesota Statutes 1978, Sections 462.352, Subdivision 4; and 462.358, Subdivisions 1, 2 and 3.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1662, A bill for an act relating to state government; providing for a demonstration job-sharing project in state government; appropriating money.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1727, A bill for an act relating to family; providing that natural parents may obtain a copy of an adopted child's original birth certificate; authorizing a multi-purpose declaration of parentage; providing counsel for certain minor parents; allowing parents ten days to revoke consent to adoption; providing a pre-adoption residency of three months; changing certain procedures and criteria for termination of parental rights; amending Minnesota Statutes 1978, Sections 144.218, Subdivision 1; 144.225, Subdivision 2; 259.24, Subdivisions 2 and 5, and by adding a subdivision; 259.25, Subdivision 1, and by adding a subdivision; 259.27, Subdivision 4; 260.221; 260.241, Subdivisions 1 and 2; and Chapters 257 and 260, by adding sections; repealing Minnesota Statutes, 1979 Supplement, Sections 259.24, Subdivision 6; and 259.25, Subdivision 2.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1818, A bill for an act relating to game and fish; excluding bears from the definition of fur bearing animals; providing that a portion of deer license fees shall be used for the purpose of deer habitat improvement; requiring licenses of persons providing guide services for bear hunters; specifying fees; requiring tagging of bears taken in the state; removing certain restrictions on the trapping of beaver; providing for free fishing licenses for certain mentally retarded and disabled residents; authorizing moose seasons at the discretion of the commissioner; granting landowners preference for moose licenses; extending the muskrat trapping season; changing the times of day during which certain wild animals may be taken; regulating bear baiting; allowing sale of bear hides and claws; altering the end date of certain fishing seasons; amending Minnesota Statutes 1978, Sections 97.40, Subdivision 7; 97.49, by adding a subdivision; 98.46, Subdivisions 4, 16 and 22; 98.47, Subdivisions 7, 15 and 16; 100.27, Subdivision 2; 100.29, Subdivisions 1 and 31; 100.30; 101.41, Subdivision 2; Minnesota Statutes, 1979 Supplement, Sections 100.27, Subdivision 4; and 100.271, Subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on :

H. F. No. 1847, A bill for an act relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; providing for an information retrieval system; providing for nursing home dental health programs; requiring result-oriented treatment programs and counsel guardians for persons committed to hospitals; requiring the commissioner to collect and prepare statistical data; appropriating money; amending Minnesota Statutes 1978, Section 256B.47, by adding a subdivision; and Chapter 253A, by adding a section.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on :

H. F. No. 1896, A bill for an act relating to juveniles and corrections; modifying dispositions available to juvenile court judges; increasing civil liability of parents for intentional acts of their children; modifying statutory provisions relating to records of adjudications of delinquency; making the rules of evidence applicable in certain juvenile proceedings; modifying procedures in juvenile court; providing for informed consent by juveniles to waiver of rights; providing for the promulgation of statewide juvenile court rules; modifying the jurisdiction of the juvenile courts; modifying the provisions for reference of juveniles for adult prosecution; expanding the coverage of the provisions requiring preparation of a case plan for children placed in foster care; providing for maximum capacities for group homes; authorizing juvenile court referees in the second and fourth judicial districts to hear contested trials, hearings, or motions unless objection is made; amending Minnesota Statutes 1978, Sections 241.021, Subdivision 1; 257.071; 260.011, Subdivision 2; 260.111, Subdivision 1; 260.115, Subdivision 1; 260.121, Subdivision 3; 260.125; 260.135, Subdivisions 1, 2, and 5; 260.141, Subdivision 1; 260.155, Subdivisions 1, 2, 4 and by adding a subdivision; 260.161, Subdivision 1; 260.185, Subdivision 1; 260.193; 260.211, Subdivision 1; 484.70, by adding a subdivision; 540.18, Subdivision 1; and Chapter 480, by adding a section.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2187, A bill for an act relating to local government; authorizing conveyance of certain parcels of land in the city of Brooklyn Center; permitting the acquisition and financing of data processing equipment by Local Government Information Systems and its members; providing for sewer charges by the city of Brooklyn Center on an equitable basis.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 644, A bill for an act relating to health; prohibiting applicants for certain dental licenses who fail a clinical examination twice from further taking the examination without additional education and training; requiring the board of dentistry to promulgate rules establishing requirements for this education and training; requiring licensed dentists, dental hygienists and registered dental assistants to inform the board of dentistry when changing addresses; setting standards for the names under which dentists may practice; authorizing the board of dentistry to promulgate rules governing advertising by dentists; authorizing the board of medical examiners to promulgate rules governing advertising by physicians; establishing penalties; amending Minnesota Statutes 1978, Chapter 147, by adding a section; Sections 150A.06, Subdivisions 1, 2 and 2a; 150A.09, Subdivision 3; and 150A.11, Subdivisions 1 and 2.

The Senate has appointed as such committee Messrs. Strand, Schaaf and Kirchner.

House File No. 644 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2429, A bill for an act relating to usury; changing the penalty for usurious loans made by state banks and savings banks; amending Minnesota Statutes 1978, Sections 334.02; 334.03; and Chapter 48, by adding a section.

The Senate has appointed as such committee Messrs. Solon, Bang and Sikorski.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 364, A bill for an act relating to peace officers; requiring uniform colors and identification for law enforcement motor vehicles and uniforms of peace officers and security guards; amending Minnesota Statutes 1978, Section 169.98.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 364

A bill for an act relating to peace officers; requiring uniform colors and identification for law enforcement motor vehicles and uniforms of peace officers and security guards; amending Minnesota Statutes 1978, Section 169.98.

March 31, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 364, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 364 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 367.41, Subdivision 1, is amended to read:

367.41 [CONSTABLES AND PEACE OFFICER LICENSING REQUIREMENTS; DEPUTY CONSTABLES, REQUIREMENTS.] Subdivision 1. Notwithstanding any general or local law or charter to the contrary, any constable employed or elected on or after July 1, 1979, by any political subdivision of the state of Minnesota shall not be eligible for permanent appointment without being licensed by the Minnesota board of peace officer standards and training pursuant to (RULES PROMULGATED UNDER SECTION 626.843) *section 626.8463, clauses (a) to (c).*

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 626.84, is amended to read:

626.84 [DEFINITIONS AND SCOPE.] *Subdivision 1. [DEFINITIONS.]* For the purposes of sections 626.84 to 626.855, the following terms shall have the meanings given them:

(a) "Board" means the Minnesota board of peace officer standards and training;

(b) "Director" means the executive director of the board;

(c) "Peace officer" means an employee of a political subdivision or state law enforcement agency who is *licensed by the board*, charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota highway patrol and state conservation officers.

(d) "Constable" shall have the meaning assigned to it in section 367.40.

(e) "Deputy constable" shall have the meaning assigned to it in section 367.40.

(f) "Part-time officer" means an individual *licensed by the board* whose services are utilized by law enforcement agencies no more than an average of (14) 20 hours per week, not including time spent on call when no call to active duty is received, calculated on an annual basis, who has either full powers of arrest or authorization to carry a firearm while on active duty. The term shall apply even though the individual receives no compensation for time spent on active duty, and shall apply

irrespective of the title conferred upon the individual by any law enforcement agency.

(g) "Reserve officer" means an individual whose services are utilized by a law enforcement agency for purposes including, but not limited to, providing supplementary assistance at special events, traffic or crowd control, or administrative or clerical assistance; provided that the individual's duties do not include enforcement of the general criminal laws of the state unless accompanied by a licensed peace officer; further provided that the individual does not have full powers of arrest or authorization to carry a firearm on duty. The term shall apply even though the individual receives no compensation and irrespective of the number of hours worked by, or the title conferred upon, the individual by any law enforcement agency.

Subd. 2. [SCOPE.] Notwithstanding sections 12.03, subdivision 4, 12.25, or any other law to the contrary, no individual employed or acting as an agent of any political subdivision shall be authorized to carry a firearm when on duty unless the individual has been licensed pursuant to sections 626.84 to 626.855. Nothing herein shall be construed as requiring licensure of a security guard as that term is defined in section 626.88, subdivision 1, clause (c).

Sec. 3. Minnesota Statutes 1978, Section 626.846, Subdivision 1, is amended to read:

626.846 [ATTENDANCE, FORFEITURE OF POSITION.]
Subdivision 1. Notwithstanding any general or local law or charter to the contrary, any peace officer or part-time officer employed or elected on or after July 1, (1978) 1979, by any state, county, municipality or joint or contractual combination thereof of the state of Minnesota (WITH A POPULATION OF MORE THAN 1,000 ACCORDING TO THE LAST FEDERAL CENSUS) shall not be eligible for permanent appointment without being licensed by the board pursuant to (RULES PROMULGATED UNDER SECTION 626.843) sections 626.84 to 626.855.

Sec. 4. Minnesota Statutes 1978, Section 626.846, Subdivision 2, is amended to read:

Subd. 2. Every peace officer or part-time officer who shall be appointed by any state, county, municipality or joint or contractual combination thereof of the state of Minnesota on a temporary basis or for a probationary term, shall forfeit his position unless he has been licensed by the board pursuant to sections 626.841 to 626.855. Any other peace officer or part-time officer employed or elected by any state, county, municipality or joint or contractual combination thereof, may attend peace officer training courses and be licensed by the board

(SUBJECT TO THE RULES PROMULGATED) pursuant to (SECTION 626.843) sections 626.84 to 626.855.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 626.8463, is amended to read:

626.8463 [PART-TIME OFFICERS.] Any individual appointed or employed as a part-time officer to a position which was filled by a part-time officer (IN THE YEAR 1978) between January 1, 1978 and May 31, 1979 owing to the death, termination, or failure of the incumbent to comply with the requirements of this section shall provide proof to the board that:

(a) Within six months of his appointment he has satisfied the selection standards of the board then in effect. *The board shall grant a reasonable extension of time to show satisfaction of selection standards to any law enforcement agency that demonstrates that satisfaction of selection standards within six months would impose financial hardship;*

(b) Within 12 months of his appointment he has successfully (MET THE TRAINING REQUIREMENTS OF SECTION 626.8467, SUBDIVISION 2) *completed a board certified course, or a professionally recognized program, in first aid, and, if authorized to carry a firearm on duty, firearms training, including legal limitations on the justifiable use of deadly force;*

(c) Within 24 months of his appointment he has successfully passed a board part-time officer licensing examination.

A law enforcement agency may designate personnel as part-time officer replacements who shall be subject to the training requirements of this section notwithstanding the fact that the personnel are appointed to positions which were not filled by part-time officers (IN THE YEAR 1978) between January 1, 1978 and May 31, 1979. Provided that the number of personnel so designated shall not exceed a number equal to two or ten percent of the positions filled by part-time officers (DURING THE YEAR 1978) between January 1, 1978 and May 31, 1979, rounded to the next highest whole number, *whichever is greater.*

Sec. 6. Minnesota Statutes 1978, Section 626.851, Subdivision 1, is amended to read:

626.851 [ELIGIBILITY OF OFFICERS.] Subdivision 1. Any (POLICE) *peace officer or part-time officer* employed or elected by any county or municipality of the state of Minnesota shall be eligible to attend (SUCH) training courses as herein provided in accordance with the rules (AND REGULATIONS) of the board.

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 626.8464, is amended to read:

626.8464 [NEW PART-TIME POSITIONS.] Except as otherwise provided in section 626.8463, any individual appointed or employed as a part-time officer to a position which was not filled by a part-time officer (IN THE YEAR 1978) *between January 1, 1978 and May 31, 1979* shall meet the training and licensing requirements of the board then in effect for full-time peace officers.

Sec. 8. Minnesota Statutes 1978, Section 626.852, is amended to read:

626.852 [TUITION; SALARY AND EXPENSES.] No tuition shall be charged any *peace officer or part-time officer* for attending any training school herein provided for, and each officer when assigned to attend the police school shall receive his regular salary and shall be reimbursed by the governing body of the governmental unit or combination of governmental units from which elected or by which employed for his cost of meals, travel, and lodgings while in attendance at the police school, not to exceed similar allowance for state employees (, EXCEPT AS PROVIDED IN SECTION 626.853).

Sec. 9. [626.88] [UNIFORMS; PEACE OFFICERS, SECURITY GUARDS; COLOR.] *Subdivision 1.* [DEFINITIONS.] (a) *For the purposes of this section, the following terms have the meanings given them.*

(b) *"Peace officer" means an employee of a political subdivision or state law enforcement agency who is licensed pursuant to sections 626.84 to 626.855 charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has full power of arrest, and shall also include Minnesota highway patrolmen, state conservation officers, park police, constables, and University of Minnesota police officers.*

(c) *"Security guard" means any person who is paid a fee, wage or salary to perform one or more of the following functions:*

(1) *Prevention or detection of intrusion, unauthorized entry or activity, vandalism or trespass on private property;*

(2) *Prevention or detection of theft, loss, embezzlement, misappropriation, or concealment of merchandise, money, bonds, stocks, notes, or other valuable documents or papers;*

(3) *Control, regulation, or direction of the flow or movements of the public, whether by vehicle or otherwise, to assure protection of private property;*

(4) *Protection of individuals from bodily harm; or*

(5) *Enforcement of policies and rules of his employer related to crime reduction insofar as such enforcement falls within the scope of his duties.*

The term "security guard" does not include: (i) auditors, accountants, and accounting personnel performing audits or accounting functions; (ii) employees of a firm licensed pursuant to section 326.331 whose duties are primarily administrative or clerical in nature; (iii) unarmed watchmen; (iv) personnel temporarily employed pursuant to statute or ordinance by political subdivisions to provide protective services at social functions; (v) employees of air or rail carriers.

Subd. 2. [UNIFORMS.] Uniforms for peace officers shall be of uniform colors throughout the state as provided herein. Uniforms for:

(a) *Municipal peace officers, including University of Minnesota peace officers, constables, and peace officers assigned to patrol duties in parks, shall be blue, brown or green;*

(b) *Peace officers who are members of the county sheriffs' office shall be blue, brown or green;*

(c) *Highway patrolmen shall be maroon;*

(d) *Conservation officers shall be green.*

The uniforms of security guards may be any color other than those specified for peace officers.

This subdivision shall apply to uniforms purchased subsequent to January 1, 1981.

Sec. 10. Minnesota Statutes 1978, Section 169.98, is amended to read:

169.98 [POLICE OR PATROL VEHICLES; SECURITY GUARD VEHICLES; MARKINGS AND COLORS.] Subdivision 1. Except as provided in (THIS) subdivision 2, all motor vehicles which are primarily used in the enforcement of highway traffic regulations by the highway patrol or for general uniform patrol assignment by any municipal police department (, HIGHWAY PATROL,) or (PEACE OFFICER) other law enforcement agency, except conservation officers, shall have uniform colors and markings as provided herein. Motor vehicles of:

(a) *Municipal police departments, including the University of Minnesota police department and park police units, and constables shall be predominantly blue, brown, green or white;*

(b) *The highway patrol shall be predominantly maroon; and*

(c) *The county sheriffs' office shall be predominantly brown or white.*

(THE COMMISSIONER OF PUBLIC SAFETY BY RULE OR REGULATION SHALL ESTABLISH UNIFORM COLORINGS AND MARKINGS FOR SUCH MOTOR VEHICLES WHICH COLORS AND MARKINGS SHALL BE BOTH DISTINCTIVE AND CONTRASTING IN APPEARANCE SO AS TO DISTINGUISH SUCH MOTOR VEHICLES FROM OTHER MOTOR VEHICLES AND MAKE THEM EASILY IDENTIFIABLE.)

The identity of the governmental unit operating the vehicle shall be displayed on both front door panels and on the rear of the vehicle. The identity may be in the form of a shield or emblem, or may be the word "police", "sheriff", or the words "state patrol" or "conservation officer", as appropriate, with letters not less than two and one-half inches high, one inch wide and of a three-eighths inch brush stroke. The identity shall be of a color contrasting with the background color so that the motor vehicle is easily identifiable as belonging to a specific type of law enforcement agency. Each vehicle shall be marked with its own identifying number on the rear of the vehicle. The number shall be printed in the same size and color required pursuant to this subdivision for identifying words which may be displayed on the vehicle.

Subd. 2. The commissioner of public safety may authorize the use of specially marked highway patrol vehicles, that have only a marking composed of a shield on the right door with the words inscribed thereon "Minnesota (HIGHWAY) State Patrol" for primary use in the enforcement of highway traffic regulations when in his judgment the use of specially marked highway patrol vehicles will contribute to the safety of the traveling public. The number of such specially marked highway patrol vehicles used in the enforcement of highway traffic regulations shall not exceed 10 percent of the total number of highway patrol vehicles used in traffic law enforcement. All specially marked highway patrol vehicles shall be operated by uniformed members of the highway patrol and so equipped and operated as to clearly indicate to the driver of a car which is signaled to stop that the specially marked highway patrol vehicle is being operated by the highway patrol.

Subd. 3. All motor vehicles which are used by security guards in the course of their employment may have any color other than those specified in subdivision 1 for law enforcement vehicles. The identity of the security service shall be displayed on the motor vehicle as required for law enforcement vehicles.

Subd. (2.) 4. (SUBDIVISION 1) *Subdivisions 1 to 3* shall apply to those motor vehicles (USED PRIMARILY IN TRAFFIC LAW ENFORCEMENT) purchased subsequent to (THE EFFECTIVE DATE OF LAWS 1959, CHAPTER 554 AND ALSO SUBSEQUENT TO THE EFFECTIVE DATE OF ANY RULES AND REGULATIONS THAT THE COMMISSIONER OF PUBLIC SAFETY SHALL ESTABLISH PURSUANT TO THE PURPOSES SET FORTH IN SUBDIVISION 1) *January 1, 1981.*

Sec. 11. Minnesota Statutes 1978, Section 326.337, Subdivision 1, is amended to read:

326.337 [VIOLATIONS; PENALTY.] Subdivision 1. It is unlawful for the holder of a license knowingly to commit any of the following acts within or without the state of Minnesota: To incite, encourage, or aid in the incitement or encouragement of any person who has become a party to any strike to do unlawful acts or to incite, stir up, create, or aid in the inciting of discontent or dissatisfaction among the employees of any person, firm, or corporation with the intention of having them strike; to interfere with or prevent lawful and peaceful picketing during strikes; to interfere with, restrain or coerce employees in the exercise of their right to form, join, or assist any labor organization of their own choosing; to interfere with or hinder the lawful or peaceful collective bargaining between employees and employers; to pay, offer or give any money, gratuity, favor, consideration, or other thing of value, directly or indirectly, to any person for any verbal or written report of the lawful activities of employees in the exercise of their right of self-organization and their right to form, join, or assist labor organizations and to bargain collectively through representatives of their own choosing; to advertise for, recruit, furnish or replace, or offer to furnish or replace, for hire or reward, within or without Minnesota, any help or labor, skilled or unskilled, or to furnish or offer to furnish armed guards, other than armed guards regularly employed for the protection of payrolls, property, or premises, for service upon property which is being operated in anticipation of or during the course or existence of a strike, or furnish armed guards upon the highways, for persons involved in labor disputes, or to furnish or offer to furnish to employers or their agents any arms, munitions, tear gas implements, or any other weapons; to use in any manner the (WORD) *words "police", "constable", "patrol", "law enforcement", or the name of the local city, county or state* on any vehicle, badge, emblem, stationery, advertising of any private detective or protective agent as defined in section 326.338 and no vehicle, emblem, or badge shall be designed or worn as imitative of any such vehicle, emblem, or badge used by a police department, highway patrol, constable, or peace officer, or to send letters or literature to employers offering to eliminate labor unions, or distribute or circulate any list of members of a labor organization, or to advise any person of the membership of an individual in a labor organization for the express purpose of preventing those so listed or

named from obtaining or retaining employment. Any person who violates the provisions of this subdivision is guilty of a gross misdemeanor.

Sec. 12. [REPEALER.] *Minnesota Statutes 1978, Sections 367.41, Subdivision 3; and 626.846, Subdivisions 1a, 3a, 4, and 5; Minnesota Statutes, 1979 Supplement, Sections 367.41, Subdivision 2; and 626.8467 are repealed.*

Sec. 13. [EFFECTIVE DATE.] *This act is effective upon final enactment.*"

Delete the title and insert:

"A bill for an act relating to peace officers, part-time officers and constables; providing for the training of part-time officers and constables; requiring uniform colors and identification for law enforcement motor vehicles and uniforms of peace officers and security guards; amending Minnesota Statutes 1978, Sections 169.98; 326.337, Subdivision 1; 367.41, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.851, Subdivision 1; 626.852; and Minnesota Statutes, 1979 Supplement, Sections 626.84; 626.8463; 626.8464; and repealing Minnesota Statutes 1978, Sections 367.41, Subdivision 3; and 626.846, Subdivisions 1a, 3a, 4, and 5; and Minnesota Statutes, 1979 Supplement, Sections 367.41, Subdivision 2; and 626.8467."

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

Senate Conferees: BILL MCCUTCHEON, GERALD L. WILLET and DOUGLAS H. SILLERS.

House Conferees: ROBERT E. VANASEK, ARLENE I. LEHTO and GARY W. LAIDIG.

Lehto moved that the report of the Conference Committee on S. F. No. 364 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 364, A bill for an act relating to peace officers; requiring uniform colors and identification for law enforcement motor vehicles and uniforms of peace officers and security guards; amending Minnesota Statutes 1978, Section 169.98.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 113 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Aasness Adams Anderson, B. Anderson, G. Anderson, I.

Anderson, R.	Evans	Kostohryz	Nysether	Sieben, M.
Battaglia	Ewald	Kroening	Onnen	Simoneau
Begich	Faricy	Kvam	Otis	Stadum
Berglin	Fjoslien	Laidig	Patton	Stoa
Berkelman	Forsythe	Lehto	Pehler	Stowell
Biersdorf	Friedrich	Levi	Peterson, B.	Sviggum
Blatz	Fudro	Long	Peterson, D.	Swanson
Brinkman	Greenfield	Luknic	Piepho	Thiede
Carlson, D.	Halberg	Mann	Pleasant	Tomlinson
Carlson, L.	Haukoos	McCarron	Prahl	Valan
Casserly	Heap	McDonald	Redalen	Valento
Clark	Hokanson	McEachern	Reding	Vanasek
Clawson	Jacobs	Metzen	Rees	Waldorf
Corbid	Jaros	Minne	Reif	Weaver
Crandall	Jennings	Moe	Rice	Welch
Dean	Johnson, C.	Munger	Rodriguez	Wenzel
Den Ouden	Johnson, D.	Murphy	Rose	Wigley
Drew	Jude	Nelsen, B.	Rothenberg	Wynia
Eken	Kahn	Nelsen, M.	Sarna	Zubay
Elioff	Kaley	Nelson	Schreiber	Spkr. Norton
Ellingson	Kelly	Norman	Searle	
Esau	Kempe	Novak	Sherwood	

Those who voted in the negative were:

Ainley	Byrne	Fritz	Mehrkens	Wieser
Albrecht	Dempsey	Kalis	Niehaus	
Anderson, D.	Erickson	Ludeman	Welker	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 480, A bill for an act relating to public health; authorizing the funding of a statewide poison information center; giving grant and program monitoring responsibilities to the commissioner of health; appropriating money.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 480

A bill for an act relating to public health; authorizing the funding of a statewide poison information center; giving grant and program monitoring responsibilities to the commissioner of health; appropriating money.

March 31, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 480, report that we have agreed upon the items in dispute and recommend as follows:

The House recede from its amendments and S. F. No. 480 be further amended as follows:

Page 1, line 8, delete "STATE" and insert "MINNESOTA"

Page 1, line 12, delete "referral" and insert "appropriate home management"

Page 1, line 12, delete "treatment" and insert "referral"

Page 1, after line 15, insert:

"Subd. 2. [ADVISORY COUNCIL.] The commissioner of health shall appoint an advisory council to serve on a voluntary basis consisting of, but not limited to, the following: one nurse; one pharmacist; one physician each from the fields of toxicology, pediatric medicine, emergency medicine, and internal medicine; and one person who has no past or present material financial interest or professional involvement in the provision of poison information or treatment services. No more than three members may be residents of the metropolitan area, as defined in Minnesota Statutes, Section 473.02, Subdivision 5; no more than one may be a resident of any single county; and none may be affiliated in any way with the currently designated poison information center."

Renumber the subdivisions in sequence

Page 1, line 17, delete "On an annual basis," and insert "Each year"

Page 1, line 17, delete "of health,"

Page 1, line 18, delete "after giving" and insert "shall give"

Page 1, line 19, delete the comma and insert a period

Page 1, line 19, after the period, insert "After consulting with the advisory council, the commissioner"

Page 1, line 22, delete "3" and insert "4"

Page 2, line 1, delete quotation marks

Page 2, line 1, delete "state" and insert "Minnesota"

Page 2, line 3, delete "on a" and delete "basis"

Page 2, line 16, delete the comma and insert "direction as well as the"

Page 2, line 17, before the semicolon insert "needed for poison information services"

Page 3, line 10, delete "452,800" and insert "125,000"

Page 3, line 12, delete "state" and insert "Minnesota"

Page 3, line 13, delete everything after "available" and insert "until June 30, 1981."

Page 3, delete lines 14 to 16

Page 3, line 17, delete "Section 1 is" and insert "Sections 1 and 2 are"

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

Senate Conferees: EMILY ANNE STAPLES, WILLIAM G. KIRCHNER and TOM A. NELSON.

House Conferees: TONY D. ONNEN, ROBERT W. REIF and THOMAS R. BERKELMAN.

Onnen moved that the report of the Conference Committee on S. F. No. 480 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 480, A bill for an act relating to public health; authorizing the funding of a statewide poison information center; giving grant and program monitoring responsibilities to the commissioner of health; appropriating money.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Anderson, I.	Blatz	Clawson	Elioff
Adams	Anderson, R.	Brinkman	Corbid	Ellingson
Ainley	Battaglia	Byrne	Crandall	Erickson
Albrecht	Begich	Carlson, D.	Dean	Esau
Anderson, B.	Berglin	Carlson, L.	Dempsey	Evans
Anderson, D.	Berkelman	Casserly	Den Ouden	Farcy
Anderson, G.	Biersdorf	Clark	Eken	Fjoslien

Forsythe	Kelly	Moe	Prahl	Swanson
Friedrich	Kempe	Munger	Redalen	Thiede
Fritz	Knickerbocker	Murphy	Reding	Tomlinson
Fudro	Kostohryz	Nelsen, B.	Rees	Valan
Greenfield	Kroening	Nelsen, M.	Reif	Valento
Haukoos	Kvam	Nelson	Rice	Vanasek
Heap	Laidig	Niehau	Rodriguez	Voss
Heinitz	Lehto	Norman	Rose	Waldorf
Hoberg	Levi	Novak	Rothenberg	Welch
Hokanson	Long	Nysether	Sarna	Wenzel
Jacobs	Ludeman	Onnen	Schreiber	Wieser
Jaros	Luknic	Osthoff	Searle	Wigley
Jennings	Mann	Otis	Sherwood	Wynia
Johnson, C.	McCarron	Patton	Sieben, M.	Zubay
Johnson, D.	McDonald	Pehler	Simoneau	Spkr. Norton
Jude	McEachern	Peterson, B.	Stadum	
Kahn	Mehrkens	Peterson, D.	Stoa	
Kaley	Metzen	Piepho	Stowell	
Kalis	Minne	Pleasant	Sviggum	

Those who voted in the negative were:

Drew

The bill was repassed, as amended by Conference, and its title agreed to.

The message from the Senate relating to S. F. No. 572 together with the Conference Committee report was reported to the House.

POINT OF ORDER

Faricy raised a point of order pursuant to rule 6.11 relating to S. F. No. 572.

Pursuant to Section 244 of "Mason's Manual of Legislative Procedure," Speaker pro tem Johnson, C., deferred his decision on the Faricy point of order.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 702, A bill for an act relating to health; requiring counties to establish local nursing home pre-admission screening teams; prescribing duties of the teams and the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Chapter 256B, by adding a section.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 702

A bill for an act relating to health; requiring counties to establish local nursing home pre-admission screening teams; prescribing duties of the teams and the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Chapter 256B, by adding a section.

April 3, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 702, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 702 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Chapter 256B, is amended by adding a section to read:

[256B.091] [NURSING HOME PRE-ADMISSION SCREENING PROGRAM.] *Subdivision 1. [PURPOSE.] It is the purpose of this section to prevent inappropriate nursing home placement by establishing a program of pre-admission screening teams for all medical assistance recipients and any individual who would become eligible for medical assistance within 90 days of admission to a licensed nursing home participating in the program. Further, it is the purpose of this section and the program to gain further information about how to contain costs associated with inappropriate nursing home admissions. The commissioners of public welfare and health shall seek to maximize use of available federal and state funds and establish the broadest program possible within the appropriation available. The commissioner of public welfare shall promulgate temporary rules in order to implement this section by September 1, 1980.*

Subd. 2. [SCREENING TEAMS; ESTABLISHMENT.] Each county agency designated by the commissioner of public welfare to participate in the program shall contract with the local board of health organized under Minnesota Statutes, Section 145.911 to 145.922 or other public or non-profit agency to establish a screening team to assess, prior to admission to a nursing home licensed under section 144A.02, the health and social needs of medical assistance recipients and individuals

who would become eligible for medical assistance within 90 days of nursing home admission. Each local screening team shall be composed of a public health nurse from the local public health nursing service and a social worker from the local community welfare agency. Each screening team shall have a physician available for consultation and shall utilize individuals' attending physicians' physical assessment forms, if any, in assessing needs. The individual's physician shall be included on the screening team if the physician chooses to participate. Other personnel as deemed appropriate by the county agency may be included on the team. No member of a screening team shall have a direct or indirect financial or self-serving interest in a nursing home or non-institutional referral such that it would not be possible for the member to consider each case objectively.

Subd. 3. [SCREENING TEAM; DUTIES.] Local screening teams shall seek cooperation from other public and private agencies in the community which offer services to the disabled and elderly. The responsibilities of the agency responsible for screening shall include:

(a) Provision of information and education to the general public regarding availability of the screening program;

(b) Acceptance of referrals from individuals, families, human service professionals and nursing home personnel of the community agencies;

(c) Assessment of health and social needs of referred individuals and identification of services needed to maintain these persons in the least restrictive environments;

(d) Identification of available noninstitutional services to meet the needs of individuals referred;

(e) Recommendations for individuals screened regarding:

(1) Nursing home admission; and

(2) Maintenance in the community with specific service plans and referrals and designation of a lead agency to implement each individual's plan of care;

(f) Provision of follow up services as needed; and

(g) Preparation of reports which may be required by the commissioner of public welfare.

Subd. 4. [SCREENING OF PERSONS.] Prior to nursing home admission, screening teams shall assess the needs of all persons receiving medical assistance and of all persons who would be eligible for medical assistance within 90 days of ad-

mission to a nursing home, except patients from acute care facilities or transfers from other nursing homes. Any other interested person may be assessed by a screening team upon payment of a fee based upon a sliding fee scale.

Subd. 5. [APPEALS.] Appeals from the screening team's determination shall be made pursuant to the procedures set forth in Minnesota Statutes, Section 256.045, Subdivisions 2 and 3. An appeal shall be automatic if the individual's physician does not agree with the recommendation of the screening team.

Subd. 6. [TEAM REIMBURSEMENT.] The commissioner of public welfare shall amend the Minnesota medical assistance plan to include reimbursement for the local screening teams. Reimbursement shall not be provided for any recipient placed in a nursing home in opposition to the screening team's recommendation after January 1, 1981; provided, however, the commissioner shall not deny reimbursement for (1) an individual admitted to a nursing home who is assessed to need long-term supportive services if long-term supportive services other than nursing home care are not available in that community; or (2) any eligible individual placed in the nursing home pending an appeal of the preadmission screening team's decision; or (3) any eligible individual placed in the nursing home by a physician in an emergency situation and where the screening team has not made a decision within five working days of its initial contact.

Subd. 7. [REPORT.] The commissioner of public welfare, in consultation with the commissioner of health, shall evaluate the screening program established pursuant to this section and provide a report to the legislature by April 1, 1981, which shall include a description of:

- (a) The cost effectiveness of the program;
- (b) The unmet needs in the community;
- (c) Similar screening activities in the counties;
- (d) Methods to improve the program.

Sec. 2. [APPROPRIATION.] For the biennium ending June 30, 1981, there is appropriated from the general fund to the department of public welfare the sum of \$48,000 for the purposes of section 1 and the approved complement shall be increased by one until June 30, 1981.

Sec. 3. [EFFECTIVE DATE.] This act shall be effective the day following its enactment."

Further amend the title as follows:

Page 1, lines 2 and 3, delete "requiring counties to establish" and insert "establishing"

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

Senate Conferees: TOM A. NELSON, EMILY ANNE STAPLES and WILLIAM G. KIRCHNER.

House Conferees: LINDA L. BERGLIN, RICHARD J. WELCH and O. J. HEINITZ.

Berglin moved that the report of the Conference Committee on S. F. No. 702 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 702, A bill for an act relating to health; requiring counties to establish local nursing home pre-admission screening teams; prescribing duties of the teams and the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Chapter 256B, by adding a section.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 103 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Adams	Elioff	Kelly	Nelson	Simoneau
Anderson, B.	Ellingson	Kempe	Norman	Stadum
Anderson, G.	Erickson	Knickerbocker	Novak	Stoa
Anderson, I.	Ewald	Kostohryz	Olsen	Stowell
Battaglia	Farcy	Kroening	Osthoff	Sviggum
Begich	Fjoslien	Laidig	Otis	Swanson
Berglin	Forsythe	Lehto	Patton	Tomlinson
Berkelman	Fritz	Levi	Pehler	Valan
Biersdorf	Fudro	Long	Peterson, B.	Valento
Blatz	Greenfield	Luknic	Peterson, D.	Vanasek
Brinkman	Heap	Mann	Prahl	Waldorf
Byrne	Heinitz	McCarron	Reding	Weaver
Carlson, D.	Hoberg	McDonald	Rees	Welch
Carlson, L.	Hokanson	McEachern	Reif	Wenzel
Casserly	Jacobs	Mehrkens	Rice	Wieser
Clark	Jaros	Metzen	Rodriguez	Wigley
Clawson	Johnson, C.	Minne	Rose	Wynia
Corbid	Johnson, D.	Moe	Rothenberg	Zubay
Dean	Jude	Munger	Schreiber	Spkr. Norton
Drew	Kahn	Murphy	Sherwood	
Eken	Kaley	Nelsen, M.	Sieben, M.	

Those who voted in the negative were:

Ainley	Den Ouden	Jennings	Niehaus	Welker
Albrecht	Esau	Kalis	Nysether	
Anderson, D.	Evans	Kvam	Onnen	
Anderson, R.	Friedrich	Ludeman	Redalen	
Dempsey	Haukoos	Nelsen, B.	Thiede	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker :

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on :

S. F. No. 1141, A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory committees; establishing a statewide interpreter referral service; providing for a program of training and employment; prescribing duties for the commissioner of public welfare; establishing an office on hearing impairment; providing for an advisory committee for the state council for the handicapped; prescribing duties for the department of health; providing for a study by the state planning agency; appropriating money.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1141

A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory committees; establishing a statewide interpreter referral service; providing for a program of training and employment; prescribing duties for the commissioner of public welfare; establishing an office on hearing impairment; providing for an advisory committee for the state council for the handicapped; prescribing duties for the department of health; providing for a study by the state planning agency; appropriating money.

April 1, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1141, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1141 be further amended as follows:

Page 1, line 15, delete "11" and insert "7"

Page 1, line 25, delete "10" and insert "7"

Page 2, delete lines 14 to 20

Page 2, line 27, after the period insert "The center shall maintain a current registry of those persons having or suspected of having a hearing impairment who live in that region. A special task of the registry is to assure that referrals and follow-up services are completed with respect to persons in the register."

Page 4, line 20, delete "staff of county welfare"

Page 4, delete line 21

Page 4, line 22, delete "boards" and insert "social service or income maintenance staff employed by counties or by organizations with whom counties contract for services"

Page 5, line 2, after the period insert "The commissioner of health shall establish standards for screening for hearing impairments with special emphasis on screening of persons from birth through school age and persons over age 65."

Page 5, delete lines 3 to 33

Page 6, delete lines 1 to 14 and insert:

"Sec. 8. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.44] [AIDS FOR HANDICAPPED AT STATE MEETINGS.] *After July 1, 1980, a state agency which sponsors, in whole or in part, a meeting or conference for the public or for state employees shall ensure that a physically handicapped participant who gives reasonable advance notice to the agency will receive the auxiliary aids necessary for effective participation. Auxiliary aids may include taped or brailled materials, interpreters or other effective means of making orally delivered material available to participants with hearing impairments, and equipment adaptable for use by participants with manual impairments and other similar services and action; however, nothing in this section shall (1) require a state agency to provide attendants, individually prescribed devices, or other devices or services of a personal nature or (2) apply to a state university, the university of Minnesota or a state community college with respect to classes, seminars or training programs which are offered by them. When sign language interpreters are provided, they shall be provided in a manner so that hearing impaired participants will be able to see their signing clearly. For the purposes of this section, "physically handicapped" has the meaning given in section 16.84, subdivision 8. For the purposes of this section, "agency" means any state officer, employee, board, com-*

mission, authority, department or other agency or the executive branch of state government.

Sec. 9. Minnesota Statutes 1978, Section 16.85, Subdivision 1c, is amended to read:

Subd. 1c. After July 1, (1979) 1980, meetings or conferences (ATTENDED BY) for the public (AND) or for state employees sponsored in whole or in part 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) persons. *The provisions of this subdivision shall not apply to any classes, seminars or training programs offered by a state university, the university of Minnesota or a state community college. Meetings or conferences intended for specific individuals none of whom need the accessibility features for handicapped persons specified in the state building code need not comply with this subdivision unless a handicapped person gives reasonable advance notice of his or her intent to attend the meeting or conference. When sign language interpreters will be provided, meetings or conference sites shall be chosen which allow hearing impaired participants to see their signing clearly.*

Sec. 10. Minnesota Statutes 1978, Section 16.85, Subdivision 1d, is amended to read:

Subd. 1d. The commissioner of administration may grant an exemption from the requirements of subdivisions 1b and 1c in advance if a state agency has demonstrated that reasonable efforts were made to secure facilities which complied with the requirements of subdivision 1b and 1c and if the selected facilities are the best available for access for handicapped persons. *Exemptions shall be granted using criteria developed by the commissioner in consultation with the council for the handicapped.*

For the purposes of this section, "agency" shall have the meaning given to it in section 16.098, subdivision 1, clause (3)."

Page 6, line 16, delete "\$1,006,500" and insert "\$302,000"

Page 6, line 18, after the period insert "The director of the state planning agency shall monitor the implementation and effectiveness of sections 1 to 7 and report to the legislature by January 1, 1982."

Page 6, line 20, delete "\$498,500" and insert "\$166,000"

Page 6, line 22, delete "1980-14"

Page 6, line 22, delete "22" and insert "8"

Page 6, line 24, delete "\$330,400" and insert "\$136,000"

Page 6, line 26, delete "1980-6"

Page 6 line 26, delete "10" and insert "6"

Page 6, delete lines 27 to 33

Page 7, delete line 1 and insert:

"Sec. 12. [EFFECTIVE DATE.] Sections 8 to 10 of this act are effective the day following final enactment."

Re-number sections in sequence

Underscore all new language in bill

Amend the title as follows:

Page 1, line 3, delete "hearing impaired persons" and insert "the handicapped"

Page 1, line 2, after "committees" insert "to aid the hearing impaired"

Page 1, line 7, delete "commissioner" and insert "commissioners"

Page 1, line 7, before the semicolon insert "and health"

Page 1, line 7, delete "establishing an"

Page 1, delete lines 8 to 12 and insert "requiring certain state agency meetings to be accessible to physically handicapped persons; requiring certain auxiliary aids for physically handicapped participants at state agency meetings; appropriating money; amending Minnesota Statutes 1978, Section 16.85, Subdivisions 1c and 1d; and Chapter 15, by adding a section."

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

Senate Conferees: EMILY ANNE STAPLES, WILLIAM G. KIRCHNER and TOM A. NELSON.

House Conferees: O. J. HEINITZ, PAUL MCCARRON and MARY M. FORSYTHE.

Heinitz moved that the report of the Conference Committee on S. F. No. 1141 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1141, A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory committees; establishing a statewide interpreter referral service; providing for a program of training and employment; prescribing duties for the commissioner of public welfare; establishing an office on hearing impairment; providing for an advisory committee for the state council of the handicapped; prescribing duties for the department of health; providing for a study by the state planning agency; appropriating money.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kahn	Nelsen, M.	Sherwood
Adams	Elioff	Kaley	Nelson	Sieben, M.
Ainley	Ellingson	Kalis	Niehaus	Simoneau
Albrecht	Erickson	Kelly	Norman	Stoa
Anderson, B.	Esau	Kempe	Novak	Stowell
Anderson, D.	Evans	Knickerbocker	Nysether	Sviggum
Anderson, G.	Ewald	Kostohryz	Olsen	Swanson
Anderson, I.	Faricy	Kroening	Onnen	Thiede
Anderson, R.	Fjoslien	Kvam	Osthoff	Tomlinson
Battaglia	Forsythe	Laidig	Otis	Valan
Begich	Friedrich	Lehto	Patton	Valento
Berglin	Fritz	Levi	Pehler	Vanasek
Biersdorf	Fudro	Long	Peterson, B.	Waldorf
Blatz	Greenfield	Ludeman	Peterson, D.	Weaver
Brinkman	Halberg	Luknic	Piepho	Welch
Byrne	Haukoos	Mann	Prahl	Welker
Carlson, D.	Heap	McCarron	Redalen	Wenzel
Carlson, L.	Heinitz	McDonald	Reding	Wieser
Cassarly	Hoberg	McEachern	Rees	Wigley
Clark	Hokanson	Mehrkens	Reif	Wynia
Clawson	Jacobs	Metzen	Rice	Zubay
Corbid	Jaros	Minne	Rodriguez	Spkr. Norton
Dean	Jennings	Moe	Rose	
Dempsey	Johnson, C.	Munger	Rothenberg	
Den Ouden	Johnson, D.	Murphy	Sarna	
Drew	Jude	Nelsen, B.	Schreiber	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1875, A bill for an act relating to commerce; providing for ownership rights in dies and molds under certain conditions.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1875

A bill for an act relating to commerce; providing for ownership rights in dies and molds under certain conditions.

March 31, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1875, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1875 be further amended as follows:

Page 2, line 15, delete "30 days" and insert "90 days"

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

Senate Conferees: **JOHN B. KEEFE, JEROME GUNDERSON and HOWARD D. OLSON.**

House Conferees: **CARL W. KROENING and JOEL JACOBS.**

Jacobs moved that the report of the Conference Committee on S. F. No. 1875 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1875, A bill for an act relating to commerce; providing for ownership rights in dies and molds under certain conditions.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 72 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Adams	Carlson, L.	Johnson, C.	Moe	Rodriguez
Ainley	Casserty	Jude	Munger	Sarna
Anderson, B.	Clark	Kahn	Murphy	Sieben, M.
Anderson, D.	Corbid	Kalis	Nelsen, M.	Simoneau
Anderson, G.	Dean	Kelly	Nelson	Stoa
Anderson, I.	Eken	Kempe	Novak	Swanson
Anderson, R.	Elioff	Knickerbocker	Osthoff	Vanasek
Battaglia	Ellingson	Kostohryz	Otis	Voss
Begich	Erickson	Kroening	Patton	Welch
Berglin	Ewald	Long	Pehler	Wenzel
Berkelman	Forsythe	Mann	Peterson, B.	Wynia
Biersdorf	Fudro	McCarron	Peterson, D.	Spkr. Norton
Blatz	Greenfield	McEachern	Prahl	
Brinkman	Hokanson	Metzen	Reding	
Byrne	Jacobs	Minne	Rice	

Those who voted in the negative were:

Aasness	Friedrich	Laidig	Onnen	Sviggum
Albrecht	Fritz	Lehto	Piepho	Thiede
Carlson, D.	Halberg	Levi	Pleasant	Tomlinson
Clawson	Haukoos	Ludeman	Redalen	Valan
Crandall	Heap	Luknic	Rees	Valento
Dempsey	Heinitz	McDonald	Reif	Waldorf
Den Ouden	Hoberg	Mehrkens	Rose	Weaver
Drew	Jaros	Nelsen, B.	Rothenberg	Welker
Esau	Jennings	Niehaus	Schreiber	Wieser
Evans	Johnson, D.	Norman	Sherwood	Wigley
Farcy	Kaley	Nysether	Stadum	Zubay
Fjoslien	Kvam	Olsen	Stowell	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 2095, A bill for an act relating to Hennepin County; providing for a county personnel system; providing various conditions of public employment; amending Laws 1965, Chapter 855, Sections 1, 2, 3, 4, as amended, 5, 6, as amended, 7, as amended, 8, 9, 10, 11, 12, 13, 14, 15, as amended, and 16; and Laws 1979, Chapter 198, Article I, Section 2; repealing Laws 1945, Chapter 607, as amended; Laws 1965, Chapter 855, Section 17; Laws 1967, Chapter 646, Sections 4, 5, 6, and 7, and Chapter 779; and Laws 1979, Chapter 198, Article III, Section 5.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2095

A bill for an act relating to Hennepin County; providing for a county personnel system; providing various conditions of public employment; amending Laws 1965, Chapter 855, Sections 1, 2, 3, 4, as amended, 5, 6, as amended, 7, as amended, 8, 9, 10, 11, 12, 13, 14, 15, as amended, and 16; and Laws 1979, Chapter 198, Article I, Section 2; repealing Laws 1945, Chapter 607, as amended; Laws 1965, Chapter 855, Section 17; Laws 1967, Chapter 646, Sections 4, 5, 6, and 7, and Chapter 779; and Laws 1979, Chapter 198, Article III, Section 5.

April 1, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2095, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 2095 be further amended as follows:

Page 5, line 28, delete "*five*" and insert "*seven*"

Page 7, line 14, delete "*35*" and insert "*50*"

Page 10, line 20, delete "*four-fifths*" and insert "*six-sevenths*"

Page 10, line 32, delete "*four-fifths*" and insert "*six-sevenths*"

Page 14, line 33, strike "the end that" and insert "*improve*"

Page 14, line 33, strike the third "the"

Page 15, line 1, strike "service" and insert "*services*"

Page 15, line 1, strike "by the persons in the classified service"

Page 15, strike line 2

Page 15, line 3, strike "advantage of promotional opportunities"

Page 31, delete lines 7 to 16

Re-number the sections in order

Further, amend the title:

Page 1, line 7, delete "14,"

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

Senate Conferees: EMILY ANNE STAPLES, JOHN B. KEEFE and MYRTON O. WEGENER.

House Conferees: LEE GREENFIELD, DEE LONG and BILL PETERSON.

Greenfield moved that the report of the Conference Committee on S. F. No. 2095 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2095, A bill for an act relating to Hennepin County; providing for a county personnel system; providing various conditions of public employment; amending Laws 1965, Chapter 855, Sections 1, 2, 3, 4, as amended, 5, 6, as amended, 7, as amended, 8, 9, 10, 11, 12, 13, 14, 15, as amended, and 16; and Laws 1979, Chapter 198, Article 1, Section 2; repealing Laws 1945, Chapter 607, as amended; Laws 1965, Chapter 855, Section 17; Laws 1967, Chapter 646, Sections 4, 5, 6, and 7, and Chapter 779; and Laws 1979, Chapter 198, Article III, Section 5.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 113 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Johnson, D.	Moe	Rodriguez
Adams	Eken	Jude	Munger	Rose
Ainley	Elioff	Kahn	Murphy	Sarna
Anderson, B.	Ellingson	Kaley	Nelsen, B.	Schreiber
Anderson, D.	Erickson	Kalis	Nelsen, M.	Searle
Anderson, G.	Evans	Kelly	Nelson	Sieben, M.
Anderson, I.	Ewald	Kempe	Norman	Simoneau
Anderson, R.	Faricy	Knickerbocker	Novak	Stadum
Battaglia	Forsythe	Kostohryz	Nysether	Stoa
Begich	Friedrich	Kroening	Olsen	Stowell
Berglin	Fritz	Kvam	Osthoff	Sviggum
Berkelman	Fudro	Laidig	Otis	Swanson
Biersdorf	Greenfield	Lehto	Patton	Tomlinson
Blatz	Halberg	Levi	Pehler	Vanasek
Brinkman	Haukoos	Long	Peterson, B.	Waldorf
Byrne	Heap	Luknic	Peterson, D.	Weaver
Carlson, L.	Heinitz	Mann	Pleasant	Welch
Casserly	Hoberg	McCarron	Prahl	Wenzel
Clark	Hokanson	McDonald	Redalen	Wynia
Clawson	Jacobs	McEachern	Reding	Zubay
Corbid	Jaros	Mehrkens	Rees	Sprk. Norton
Crandall	Jennings	Metzen	Reif	
Dean	Johnson, C.	Minne	Rice	

Those who voted in the negative were:

Albrecht	Fjoslien	Onnen	Thiede	Wieser
Dempsey	Ludeman	Piepho	Valento	Wigley
Den Ouden	Niehaus	Sherwood	Welker	

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 2134, A bill for an act relating to natural resources; providing for analysis of hydroelectric generating capacity of publicly owned dams; clarifying provisions relating to the administration of and authorization for dam repair and reconstruction grants; authorizing the employment of a person to administer grants; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 1 and 4; Minnesota Statutes, 1979 Supplement, Section 105.482, Subdivisions 3 and 5a; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2134

A bill for an act relating to natural resources; providing for analysis of hydroelectric generating capacity of publicly owned dams; clarifying provisions relating to the administration of and authorization for dam repair and reconstruction grants; authorizing the employment of a person to administer grants; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 1 and 4; Minnesota Statutes, 1979 Supplement, Section 105.482, Subdivisions 3 and 5a; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5.

March 31, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2134, report that we have agreed upon the items in dispute and recommend as follows:

That the House recedes from its amendments and that S. F. No. 2134 be further amended as follows:

Page 5, line 14, strike "2, 3 and" and insert "1 to"

Page 5, delete lines 20 to 26

Page 5, line 27, delete "7" and insert "6"

Renumber the remaining section

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, line 8, delete "administer grants;"

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

Senate Conferees: GERALD L. WILLET, HUBERT H. HUMPHREY, III and ROBERT G. DUNN.

House Conferees: ARLENE I. LEHTO, WILLARD M. MUNGER and WARREN STOWELL.

Lehto moved that the report of the Conference Committee on S. F. No. 2134 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2134, A bill for an act relating to natural resources; providing for analysis of hydroelectric generating capacity of publicly owned dams; clarifying provisions relating to the administration of and authorization for dam repair and reconstruction grants; authorizing the employment of a person to administer grants; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 1 and 4; Minnesota Statutes, 1979 Supplement, Section 105.482, Subdivisions 3 and 5a; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, G.	Berkelman	Carlson, L.	Dean
Adams	Anderson, I.	Biersdorf	Casserly	Dempsey
Ainley	Anderson, R.	Blatz	Clark	Den Ouden
Albrecht	Battaglia	Brinkman	Clawson	Drew
Anderson, B.	Begich	Byrne	Corbid	Eken
Anderson, D.	Berglin	Carlson, D.	Crandall	Elioff

Ellingson	Jennings	McCarron	Patton	Simoneau
Erickson	Johnson, C.	McDonald	Pehler	Stadum
Esau	Johnson, D.	McEachern	Peterson, B.	Stoa
Evans	Jude	Mehrkens	Peterson, D.	Stowell
Ewald	Kahn	Metzen	Piepho	Sviggum
Faricy	Kaley	Minne	Pleasant	Swanson
Fjoslien	Kalis	Moe	Prahl	Thiede
Forsythe	Kelly	Munger	Redalen	Tomlinson
Friedrich	Kempe	Murphy	Reding	Valan
Fritz	Knickerbocker	Nelsen, B.	Rees	Valento
Fudro	Kostohryz	Nelsen, M.	Reif	Vanasek
Greenfield	Kroening	Nelson	Rice	Waldorf
Halberg	Kvam	Niehaus	Rodriguez	Weaver
Haukoos	Laidig	Norman	Rose	Welch
Heap	Lehto	Novak	Rothenberg	Welker
Heinitz	Levi	Nysether	Sarna	Wenzel
Hoberg	Long	Olsen	Schreiber	Wieser
Hokanson	Ludeman	Onnen	Searle	Wigley
Jacobs	Luknic	Osthoff	Sherwood	Wynia
Jaros	Mann	Otis	Sieben, M.	Zubay

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 133, A bill for an act relating to partnerships; enacting the 1976 uniform limited partnership act.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 133

A bill for an act relating to partnerships; enacting the 1976 uniform limited partnership act.

April 7, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 133, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 133 be amended as follows:

Page 1, after line 5, insert

“UNIFORM CONDOMINIUM ACT

ARTICLE I

GENERAL PROVISIONS

Section 515.1-101. [SHORT TITLE.] Sections 515.1-101 to 515.4-117 shall be known and may be cited as the uniform condominium act.

Sec. 515.1-102. [APPLICABILITY.] (a) Sections 515.1-105 (Separate Titles and Taxation; Homestead), 515.1-106 (Applicability of Local Ordinances, Regulations, and Building Codes), 515.1-107 (Eminent Domain), 515.2-103 (Construction and Validity of Declaration and Bylaws), 515.2-104 (Description of Units), 515.3-102 (1) to (5) and (9) to (12) (Powers of Unit Owners Association), 515.3-111 (Tort and Contract Liability), 515.3-112 (Insurance), 515.3-115 (Lien for Assessments), 515.3-116 (Association Records), 515.4-107 (Resales of Units), and 515.1-103 (Definitions) to the extent necessary in construing any of those sections, apply to all condominiums created in this state prior to the effective date of sections 515.1-101 to 515.4-117; provided, however, that these sections apply only with respect to events and circumstances occurring after the effective date of sections 515.1-101 to 515.4-117, and do not invalidate existing provisions of the declaration, bylaws, or floor plans of those condominiums.

(b) Sections 515.1-101 to 515.4-117 apply to all condominiums created within this state after August 1, 1980. The provisions of Minnesota Statutes, Sections 515.01 to 515.29 do not apply to condominiums created after August 1, 1980 and do not invalidate any amendment to the declaration, bylaws, or floor plans of any condominium created before August 1, 1980 if the amendment would be permitted by sections 515.1-101 to 515.4-117. The amendment must be adopted in conformity with the procedures and requirements specified by those instruments and by Minnesota Statutes, Sections 515.01 to 515.29. If the amendment grants to any person any rights, powers or privileges permitted by sections 515.1-101 to 515.4-117, all correlative obligations, liabilities, and restrictions in sections 515.1-101 to 515.4-117 also apply to that person.

Sec. 515.1-103. [DEFINITIONS.] In the declaration and bylaws, unless specifically provided otherwise or the context otherwise requires, and in sections 515.1-101 to 515.4-117:

(1) “Additional real estate” means real estate that may be added to a flexible condominium.

(2) "Affiliate of a declarant" means any person who controls, is controlled by, or is under common control with a declarant. A person "controls" a declarant if the person (i) is a general partner, officer, director, or employer of the declarant or (ii) directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing, more than 20 percent of the voting interest in the declarant, or (iii) controls in any manner the election of a majority of the directors of the declarant, or (iv) has contributed more than 20 percent of the capital of the declarant. A person "is controlled by" a declarant if the declarant (i) is a general partner, officer, director, or employer of the person or (ii) directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing, more than 20 percent of the voting interest in the person, or (iii) controls in any manner the election of a majority of the directors of the person, or (iv) has contributed more than 20 percent of the capital of the person. Control does not exist if the powers described in this paragraph are held solely as security for an obligation and are not exercised.

(3) "Association" or "unit owners association" means the unit owners association organized under section 515.3-101.

(4) "Common elements" means all portions of a condominium other than the units.

(5) "Common expenses" means expenditures made or liabilities incurred by or on behalf of the association, together with any allocations to reserves.

(6) "Common expense liability" means the liability for common expenses allocated to each unit pursuant to section 515.2-108.

(7) "Condominium" means real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of those portions. Real estate is not a condominium unless the undivided interests in the common elements are vested in the unit owners.

(8) "Conversion condominium" means a condominium in which a building was at any time before the recording of the declaration wholly or partially occupied by persons other than purchasers and persons who occupied with the consent of the purchasers.

(9) "Declarant" means:

(a) if the condominium has been created, (1) any person who has executed a declaration or an amendment to a declaration to add additional real estate, other than persons holding interests in the real estate solely as security for an obligation,

persons whose interests in the real estate will not be conveyed to unit owners, or, in the case of a leasehold condominium, a lessor who possesses no special declarant rights and who is not an affiliate of a declarant who possesses special declarant rights, or (2) any person who succeeds under section 515.3-104 to any special declarant rights; or

(b) any person who has offered prior to creation of a condominium to dispose of his interest in a unit to be created and not previously disposed of.

(10) "Dispose" or "disposition" means a voluntary transfer of any legal or equitable interest in a unit, other than as security for an obligation.

(11) "Flexible condominium" means a condominium to which additional real estate may be added.

(12) "Leasehold condominium" means a condominium in which all of the real estate is subject to a lease, the expiration or termination of which will terminate the condominium.

(13) "Limited common element" means a portion of the common elements allocated by the declaration or by operation of section 515.2-102(2) or (4) for the exclusive use of one or more but fewer than all of the units.

(14) "Person" means a natural person, corporation, partnership, trust, or other entity, or any combination thereof.

(15) "Purchaser" means any person, other than a declarant, who prior to creation of the condominium enters into a purchase agreement with a declarant or who by means of a voluntary transfer after creation of the condominium holds a legal or equitable interest in a unit, other than (i) a leasehold interest (including renewal options) of less than three years, or (ii) as security for an obligation.

(16) "Real estate" means any leasehold for three years or more or other estate or interest in, over, or under land, including structures, fixtures, and other improvements and interests which by custom, usage, or law pass with a conveyance of land though not described in the contract of sale or instrument of conveyance. "Real estate" includes parcels with or without upper or lower boundaries.

(17) "Security for an obligation" means the vendor's interest in a contract for deed, mortgagee's interest in a mortgage, purchaser's interest under a sheriff's certificate of sale during the period of redemption, or the holder's interest in a lien.

(18) "Special declarant rights" means rights reserved for the benefit of a declarant to complete improvements indicated on floor plans (section 515.2-110); to add additional real estate to a flexible condominium (section 515.2-111); to subdivide or convert a unit (section 515.2-115); to maintain sales offices, management offices, signs advertising the condominium, and models (section 515.2-117); to use easements through the common elements for the purpose of making improvements within the condominium or any additional real estate (section 515.2-118); or to appoint or remove any board member during any period of declarant control (section 515.3-103(a)).

(19) "Unit" means a portion of the condominium, whether or not contained solely or partially within a building, designated for separate ownership, the boundaries of which are described pursuant to section 515.2-110.

(20) "Unit owner" means a declarant who owns a unit, a person to whom ownership of a unit has been conveyed or transferred, or in a leasehold condominium a lessee of a unit whose lease expires simultaneously with any lease the expiration or termination of which will remove the unit from the condominium, but does not include a holder of an interest as security for an obligation.

Sec. 515.1-104. [VARIATION BY AGREEMENT.] Except as expressly otherwise provided in sections 515.1-101 to 515.4-117, provisions of sections 515.1-101 to 515.4-117 may not be varied by agreement, and rights conferred by sections 515.1-101 to 515.4-117 may not be waived. A declarant may not act under a power of attorney, or use any other device, to evade the limitations or prohibitions of sections 515.1-101 to 515.4-117 or the declaration.

Sec. 515.1-105. [SEPARATE TITLES AND TAXATION; HOMESTEAD.] (a) Each unit together with its common element interest constitutes for all purposes a separate parcel of real estate.

(b) If a declaration is recorded prior to ten days before any installment of real estate taxes becomes payable, the local taxing authority shall split the taxes so payable on the condominium among the units. Interest and penalties which would otherwise accrue shall not begin to accrue until at least 30 days after the split is accomplished.

(c) A unit used for residential purposes together with not more than two units used for vehicular parking and their common element interests shall be treated the same as any other real estate in determining whether homestead exemptions or classifications shall apply.

Sec. 515.1-106 [APPLICABILITY OF LOCAL ORDINANCES, REGULATIONS, AND BUILDING CODES.] (a) Except as provided in subsections (b) and (c), a zoning, subdivision, building code, or other real estate use law, ordinance, charter provision, or regulation may not directly or indirectly prohibit the condominium form of ownership or impose any requirement upon a condominium, upon the creation or disposition of a condominium or upon any part of the condominium conversion process which it would not impose upon a physically similar development under a different form of ownership. Otherwise, no provision of sections 515.1-101 to 515.4-117 invalidates or modifies any provision of any zoning, subdivision, building code, or other real estate use law, ordinance, charter provision, or regulation.

(b) Subsection (a) shall not apply to any ordinance, rule, regulation, charter provision or contract provision relating to the financing of housing construction, rehabilitation, or purchases provided by or through a housing finance program established and operated pursuant to state or federal law by a state or local agency or local unit of government.

(c) A statutory or home rule charter city, pursuant to an ordinance or charter provision establishing standards to be applied uniformly within its jurisdiction, may prohibit or impose reasonable conditions upon the conversion of buildings to the condominium form of ownership only if there exists within the city a significant shortage of suitable rental dwellings available to low and moderate income individuals or families or to establish or maintain the city's eligibility for any federal or state program providing direct or indirect financial assistance for housing to the city. Prior to the adoption of an ordinance pursuant to the authority granted in this subsection, the city shall conduct a public hearing.

Any ordinance or charter provision adopted pursuant to this subsection shall not apply to any conversion condominium or proposed conversion condominium for which a bona fide loan commitment for a consideration has been issued by a lender and is in effect on the date of adoption of the ordinance or charter provision, or for which a notice of condominium conversion or intent to convert prescribed by section 515.4-110(a), containing a termination of tenancy, has been given to at least 75 percent of the tenants and subtenants in possession prior to the date of adoption of the ordinance or charter provision.

(d) For purposes of providing marketable title, a statement in the declaration showing that the condominium is not subject to an ordinance or showing that any conditions required under an ordinance have been complied with shall be prima facie evidence that the condominium was not created in violation thereof.

(e) A violation of an ordinance or charter provision adopted pursuant to the provisions of subsections (b) or (c) shall not

affect the validity of a condominium. This subsection shall not be construed to in any way limit the power of a city to enforce the provisions of an ordinance or charter provision adopted pursuant to subsections (b) or (c).

Any ordinance or charter provision enacted hereunder shall not be effective for a period exceeding 18 months.

Sec. 515.1-107. [EMINENT DOMAIN.] (a) If a unit is acquired by eminent domain, or if part of a unit is acquired by eminent domain leaving the unit owner with a remnant which may not practically or lawfully be used for any purpose permitted by the declaration, the award shall compensate the unit owner and holders of an interest as security for an obligation in the unit and its common element interest as their interests may appear, whether or not any common element interest is acquired. Upon acquisition, unless the decree otherwise provides, that unit's entire common element interest, votes in the association, and common expense liability are automatically reallocated to the remaining units in proportion to the respective interests, votes, and liabilities of those units prior to the taking, and the association shall promptly prepare, execute, and record an amendment to the declaration reflecting the reallocations. Any remnant of a unit remaining after part of a unit is taken under this subsection is thereafter a common element.

(b) Except as provided in subsection (a), if part of a unit is acquired by eminent domain, the award shall compensate the unit owner and the holders of an interest as security for an obligation as their interests may appear for the reduction in value of the unit and its common element interest. Upon acquisition, unless the apportionment thereof pursuant to the declaration is based upon equality, (1) that unit's common element interest, votes in the association, and common expense liability are reduced in proportion to the reduction in the size of the unit, and (2) the portion of common element interest, votes, and common expense liability divested from the partially acquired unit are automatically reallocated to that unit and the remaining units in proportion to the respective interests, votes, and liabilities of those units prior to the taking, with the partially acquired unit participating in the reallocation on the basis of its reduced interests, votes, and liabilities.

(c) If part of the common elements is acquired by eminent domain, the award shall be paid to the association. The association shall divide any portion of the award not used for any restoration or repair of the remaining common elements among the unit owners and holders of an interest as security for an obligation as their interests may appear in proportion to their respective interests in the common elements before the taking, but the portion of the award attributable to the acquisition of a limited common element shall be equally divided among the owners of the units to which that limited common element was allocated at the time of acquisition and the respective holders of an interest as security for an obligation of the units as their interests may

appear of the units to which that limited common element was allocated at the time of acquisition, or in such other manner as the declaration may provide.

(d) The court decree shall be recorded in every county in which any portion of the condominium is located.

Sec. 515.1-108. [SUPPLEMENTAL GENERAL PRINCIPLES OF LAW APPLICABLE.] The principles of law and equity, including the law of corporations, the law of real property and the law relative to capacity to contract, principal and agent, eminent domain, estoppel, fraud, misrepresentation, duress, coercion, mistake, receivership, substantial performance, or other validating or invalidating cause supplement the provisions of sections 515.1-101 to 515.4-117, except to the extent inconsistent with sections 515.1-101 to 515.4-117. Documents required by sections 515.1-101 to 515.4-117 to be recorded shall in the case of registered land be filed.

Sec. 515.1-109. [CONSTRUCTION AGAINST IMPLICIT REPEAL.] Sections 515.1-101 to 515.4-117 being a general act intended as a unified coverage of its subject matter, no part of it shall be construed to be impliedly repealed by subsequent legislation if that construction can reasonably be avoided.

Sec. 515.1-110. [UNIFORMITY OF APPLICATION AND CONSTRUCTION.] Sections 515.1-101 to 515.4-117 shall be applied and construed so as to effectuate its general purpose to make uniform the law with respect to the subject of sections 515.1-101 to 515.4-117 among states enacting it.

Sec. 515.1-111. [SEVERABILITY.] If any provision of sections 515.1-101 to 515.4-117 or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of sections 515.1-101 to 515.4-117 which can be given effect without the invalid provisions or application, and to this end the provisions of sections 515.1-101 to 515.4-117 are severable.

Sec. 515.1-112. [UNCONSCIONABLE AGREEMENT OR TERM OF CONTRACT.] (a) The court, upon finding as a matter of law that a contract or contract clause to which the declarant or the affiliate of a declarant is a party was unconscionable at the time the contract was made, may refuse to enforce the contract, enforce the remainder of the contract without the unconscionable clause, or limit the application of any unconscionable clause in order to avoid an unconscionable result.

(b) Whenever it is claimed, or appears to the court that such a contract or contract clause is or may be unconscionable, the parties, in order to aid the court in making the determination, shall be afforded a reasonable opportunity to present evidence as to:

- (1) the commercial setting of the negotiations;

(2) whether a party has knowingly taken advantage of the inability of the other party reasonably to protect his interests by reason of physical or mental infirmity, illiteracy, or inability to understand the language of the agreement or similar factors;

(3) the effect and purpose of the contract or clause; and

(4) if a sale, any gross disparity, at the time of contracting, between the amount charged for the real estate and the value of the real estate measured by the price at which similar real estate was readily obtainable in similar transactions, but a disparity between the contract price and the value of the real estate measured by the price at which similar real estate was readily obtainable in similar transactions does not, of itself, render the contract unconscionable.

Sec. 515.1-113. [OBLIGATION OF GOOD FAITH.] Every contract or duty governed by sections 515.1-101 to 515.4-117 imposes an obligation of good faith in its performance or enforcement.

Sec. 515.1-114. [REMEDIES TO BE LIBERALLY ADMINISTERED.] (a) The remedies provided by sections 515.1-101 to 515.4-117 shall be liberally administered to the end that the aggrieved party is put in as good a position as though the other party had fully performed, provided that rights of bona fide purchasers shall be protected. However, consequential, special, or punitive damages may not be awarded except as specifically provided in sections 515.1-101 to 515.4-117 or by other rule of law.

(b) Any right or obligation declared by sections 515.1-101 to 515.4-117 is enforceable by judicial proceeding unless the provision declaring it provides otherwise.

Sec. 515.1-115. [NOTICE.] Except as otherwise stated in sections 515.1-101 to 515.4-117 all notices required by sections 515.1-101 to 515.4-117 shall be in writing and shall be effective upon hand delivery or upon mailing if properly addressed with postage prepaid and deposited in the United States mail.

Sec. 515.1-116. [EFFECTIVE DATE.] Section 515.1-106 is effective the day following final enactment.

ARTICLE II

CREATION, ALTERATION, AND TERMINATION OF CONDOMINIUMS

Sec. 515.2-101. [CREATION OF CONDOMINIUM.] (a) A condominium may be created pursuant to sections 515.1-101 to 515.4-117 only by recording a declaration executed, in the same

manner as a deed, by all persons whose interests in the real estate will be conveyed to unit owners, except vendors under contracts for deed, and by every lessor of a lease the expiration or termination of which will terminate the condominium. The condominium shall not include real estate covered by a lease affecting less than all of the condominiums and the expiration or termination of which will reduce the size of the condominium. The declaration and bylaws shall be recorded in every county in which any portion of the condominium is located. Failure of any party to join in a declaration shall have no effect on the validity of a condominium provided that after the recording of the declaration the party acknowledges the condominium in a recorded instrument or the interest of the party is extinguished.

(b) A declaration, or an amendment to a declaration adding units to a condominium, may not be recorded unless all structural components and mechanical systems serving more than one unit of all buildings containing or comprising any units thereby created are substantially completed consistent with the floor plans, as evidenced by a certificate executed by a registered professional engineer or architect and recorded or attached to the floor plans.

(c) No possessory interest in a unit may be conveyed until the unit is substantially completed as evidenced by a recorded certificate of completion executed by a registered professional engineer or architect. For the purpose of this section "substantially completed" means entirely completed consistent with the floor plans. This subsection does not prevent the conveyance prior to substantial completion of all units owned by the declarant to a person who is a transferee of special declarant rights.

(d) The declaration, any amendment or amendments thereof, and every instrument affecting a condominium or any unit shall be entitled to be recorded.

(e) In addition to the records and indexes required to be maintained by the recording officer, the recording officer shall maintain an index or indexes whereby the record of each declaration contains a reference to the record of each conveyance of a unit affected by the declaration.

(f) The recording officer shall upon request assign a number to a condominium to be formed.

(g) The recording officer shall separate the floor plans from the declaration and the floor plans shall be kept by the recording officer in a separate file for each condominium indexed in the same manner as a conveyance entitled to record indicating the number of the condominium.

Sec. 515.2-102. [UNIT BOUNDARIES.] Except as otherwise provided by the declaration:

(1) If walls, floors, or ceilings are designated as boundaries of a unit, all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting any part of the finished surfaces thereof are a part of the unit, and all other portions of the walls, floors, or ceilings are a part of the common elements.

(2) If any chute, flue, duct, pipe, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside of the designated boundaries of a unit, any portion thereof serving only that unit is a limited common element allocated solely to that unit, and any portion thereof serving more than one unit or any portion of the common elements is a part of the common elements.

(3) Subject to the provisions of paragraph (2), all spaces, interior partitions, and other fixtures and improvements within the boundaries of a unit are a part of the unit.

(4) All exterior doors and windows and any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, or other fixtures designed to serve a single unit, but located outside the unit's boundaries, are limited common elements allocated exclusively to that unit.

Sec. 515.2-103. [CONSTRUCTION AND VALIDITY OF DECLARATION AND BYLAWS.] (a) All provisions of the declaration and bylaws are severable.

(b) The rule against perpetuities may not be applied to defeat any provision of the declaration or sections 515.1-101 to 515.4-117, or any instrument executed pursuant to the declaration or sections 515.1-101 to 515.4-117.

(c) In the event of a conflict between the provisions of the declaration and the bylaws, the declaration prevails except to the extent that the declaration is inconsistent with sections 515.1-101 to 515.4-117.

Sec. 515.2-104. [DESCRIPTION OF UNITS.] After the declaration is recorded, a description of a unit which sets forth the number of the condominium, the county in which the condominium is located, and the identifying number of the unit, is a sufficient legal description of that unit and its common element interest whether or not the common element interest is described or referred to therein.

Sec. 515.2-105. [CONTENTS OF DECLARATION; ALL CONDOMINIUMS.] The declaration for a condominium shall contain:

(1) the name and number of the condominium, which shall include the word "condominium" or be followed by the words "a condominium";

(2) the name of every county in which any part of the condominium is situated;

(3) a legally sufficient description of the real estate included in the condominium;

(4) a description or delineation of the boundaries of a unit;

(5) the floor plans as required by section 515.2-110;

(6) an allocation to each unit of an undivided interest in the common elements, a portion of the votes in the association, and a percentage or fraction of the common expenses of the association (section 515.2-108);

(7) a statement of the maximum number of any units which may be created by the subdivision or conversion of units owned by the declarant pursuant to section 515.2-115(c);

(8) an allocation of any limited common elements, as provided in section 515.2-109;

(9) any restrictions on use, occupancy, and alienation of the units;

(10) a statement showing that the condominium is not subject to an ordinance provided for in section 515.1-106 or showing that any conditions required under an ordinance have been complied with;

(11) any other matters the declarant deems appropriate.

Sec. 515.2-106. [CONTENTS OF DECLARATION; FLEXIBLE CONDOMINIUMS.] The declaration for a flexible condominium shall include, in addition to the matters specified in section 515.2-105:

(1) an explicit reservation of any options to add additional real estate;

(2) a statement of any time limit, not exceeding seven years after the recording of the declaration, upon which any option reserved under paragraph (1) will lapse, together with a state-

ment of any circumstances that will terminate the option before the expiration of the time limit. If no time limit is set forth in the declaration, the time limit shall be seven years after the recording of the declaration;

(3) a statement of any limitations on any option reserved under paragraph (1), other than limitations created by or imposed pursuant to law;

(4) legally sufficient descriptions of each portion of additional real estate;

(5) if portions of any additional real estate may be added at different times, a statement to that effect together with a statement fixing the boundaries of those portions and regulating the order in which they may be added or a statement that no assurances are made in those regards;

(6) a statement of (i) the maximum number of units that may be created within any additional real estate and within any portion, the boundaries of which are fixed pursuant to paragraph (5), and (ii) how many of those units will be restricted exclusively to residential use;

(7) a statement that any buildings and units that may be erected upon the additional real estate or a portion thereof will be compatible with the other buildings and units in the condominium in terms of architectural style, quality of construction, principal materials employed in construction, and size, or a statement of any differences with respect to the buildings or units, or a statement that no assurances are made respecting those matters;

(8) a statement that all restrictions in the declaration affecting use, occupancy, and alienation of units will apply to units created in the additional real estate, or a statement of any differentiations that may be made as to those units;

(9) general descriptions of all other improvements and common elements that may be made or created upon or within the additional real estate or each portion thereof;

(10) a statement of the extent to which any assurances made in the declaration regarding additional real estate pursuant to paragraphs (5) to (9) apply in the event any additional real estate is not added to the condominium, or a statement that those assurances do not apply if the real estate is not added to the condominium.

Sec. 515.2-107. [LEASEHOLD CONDOMINIUMS.] (a)
Any lease the expiration or termination of which may terminate

the condominium shall be recorded and the declaration shall include, in addition to the matters specified in section 515.2-105:

(1) the county of recording and recorder's document number for the lease;

(2) the date on which the lease is scheduled to expire;

(3) any right of the unit owners to purchase the lessor's interest in the real estate and the manner whereby those rights may be exercised, or a statement that they do not have those rights;

(4) any right of the unit owners to remove any improvements within a reasonable time after the expiration or termination of the lease, or a statement that they do not have those rights; and

(5) any rights of the unit owners to renew the lease and the conditions of any renewal, or a statement that they do not have those rights.

(b) After the declaration for a leasehold condominium is recorded, neither the lessor nor his successor in interest may terminate the leasehold interest of a unit owner who makes timely payment of his share of the rent which shall be the same portion thereof as that of his common area expense and who otherwise complies so far as practicable with his share of all other covenants which, if violated, would entitle the lessor to terminate the lease. No unit owner's leasehold interest is affected by failure of any other person to pay rent or fulfill any other covenant.

(c) Acquisition of the leasehold interest of any unit owner by the lessor does not merge the leasehold and fee simple interests and the lessor shall hold the title to the unit subject to the declaration unless the leasehold interests of all unit owners subject to the lease are so acquired.

Sec. 515.2-108. [ALLOCATION OF COMMON ELEMENT INTERESTS, VOTES, AND COMMON EXPENSE LIABILITIES.] (a) The declaration shall allocate a fraction or percentage of the undivided interests in the common elements, common expenses and votes in the association to each unit in such manner that each of the items is equally allocated or is allocated according to the proportion of the area or volume of each unit to the area or volume of all units, and the items need not be allocated the same for all purposes. The declaration may provide that a portion of each common expense assessment may be allocated on the basis of equality and the remainder on the basis of area or volume of each unit. The sum of the percentages or fractions shall equal 100 percent or 1.

(b) Except in the case of eminent domain (section 515.1-107), expansion of a flexible condominium (section 515.2-111), relocation of boundaries between adjoining units (section 515.2-114), or subdivision of units (section 515.2-115), the common element interest, votes and common expense liability allocated to any unit may not be altered, except as an amendment to the declaration which is signed by all unit owners and first mortgagees, and which complies with section 515.2-119. The common elements are not subject to partition, and any purported conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of an undivided interest or involuntary transfer of an undivided interest in the common elements without the unit to which the interest is allocated is void.

(c) The association may assess certain common expenses against fewer than all units pursuant to section 515.3-114.

Sec. 515.2-109. [COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.] Common elements other than limited common elements may be used in common with all unit owners. Except for the limited common elements described in section 515.2-102(2) and (4), the declaration shall specify to which unit each limited common element is allocated.

Sec. 515.2-110. [FLOOR PLANS.] (a) Floor plans are a part of the declaration. The floor plans shall contain a certification by a registered professional engineer, surveyor or architect that the floor plans accurately depict all information required by this section.

(b) Each floor plan shall show:

(1) the number of the condominium, and the boundaries and dimensions of the land included in the condominium;

(2) the dimensions and location of all existing structural improvements and roadways;

(3) the intended location and dimensions of any contemplated common element improvements to be constructed within the condominium labeled either "MUST BE BUILT" or "NEED NOT BE BUILT";

(4) the location and dimensions of any additional real estate, labeled as such;

(5) the extent of any encroachments by or upon any portion of the condominium;

(6) the location and dimensions of all recorded easements within the condominium serving or burdening any portion of the condominium;

(7) the distance between noncontiguous parcels of real estate;

(8) the location and dimensions of limited common elements, including porches, balconies and patios, other than limited common elements described in section 515.2-102(2) and (4);

(9) the location and dimensions of the vertical boundaries of each unit, and that unit's identifying number;

(10) the location and dimensions of the horizontal unit boundaries with reference to established or assumed datum, and that unit's identifying number;

(11) any units which may be converted by the declarant to create additional units or common elements (section 515.2-115) identified separately.

(c) When adding additional real estate (section 515.2-111), the declarant shall record supplemental floor plans for that real estate conforming to the requirements of subsection (b). If less than all additional real estate is being added, the supplemental floor plans shall also show the location and dimensions of the remaining portion.

(d) If a declarant subdivides or converts any unit into two or more units, common elements or limited common elements (section 515.2-115), he shall record an amendment to the floor plans showing the location and dimensions of any new units, common elements and limited common elements thus created.

Sec. 515.2-111. [EXPANSION OF FLEXIBLE CONDOMINIUMS.] (a) To add additional real estate pursuant to an option reserved under section 515.2-106(1), all persons having an interest in the additional real estate, excepting any holder of an easement or any holder of an interest to secure an obligation which interest was recorded or created subsequent to the recording of the declaration, shall prepare and execute and, after notice as provided in subsection (b), record an amendment to the declaration. The amendment to the declaration shall assign an identifying number to each unit formed in the additional real estate, and reallocate common element interests, votes in the association, and common expense liabilities according to section 515.2-108. The amendment shall describe or delineate any limited common elements formed out of the additional real estate, showing or designating the unit to which each is allocated to the extent required by section 515.2-109 (Limited Common Elements).

(b) The declarant shall serve notice of his intention to add additional real estate as follows:

(1) To the association in the same manner as service of summons in a civil action in district court at least 30 days prior to recording the amendment. The amendment shall be attached to the notice and shall not thereafter be changed so as to materially affect the rights of unit owners.

(2) To the occupants of each unit by notice given in the manner provided in section 515.1-115 not less than 20 days prior to recording the amendment addressed to "Occupant Entitled to Legal Notice" at each unit. Attached to the notice shall be a statement that the amendment has been served on the association.

(3) Proof of service upon the association and the occupants shall be attached to the recorded amendment.

Sec. 515.2-112. [RESERVED.]

Sec. 515.2-113. [ALTERATIONS OF UNITS.] Subject to the provisions of the declaration and other provisions of law, a unit owner:

(1) may make any improvements or alterations to his unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the condominium;

(2) after acquiring an adjoining unit or an adjoining part of an adjoining unit, may with consent of the association and first mortgagees of the affected units, remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a common element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the condominium. The adjoining unit owners shall have the exclusive license to use the space occupied by the common elements, but the use shall not create an easement or vested right. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries. The association may reasonably require that the owner or owners of units affected replace or restore any such partition.

Sec. 515.2-114. [RELOCATION OF BOUNDARIES BETWEEN ADJOINING UNITS.] (a) Subject to the provisions of the declaration and other provisions of law, the boundaries between adjoining units may be relocated by an amendment to the declaration upon application to the association by the owners of those units. The owners of the adjoining units shall specify the proposed reallocation between their units of their common element interests, votes in the association, and common expense liabilities in the application and in accord with section 515.2-108. Unless the board of directors determines within 60 days after receipt of the application by the association that the proposed amendment is not in the best interests of the condominium, the unit owners shall prepare an amendment which shall identify the units involved, state the reallocation, be exe-

cuted by those unit owners and by any holder of an interest as security for an obligation, contain words of conveyance between them, contain written consent of the association, and upon recordation be indexed in the name of the grantor and the grantee. The amendment shall include an amended floor plan to show the altered boundaries between the adjoining units and their dimensions and identifying numbers. If a holder of an interest as security for an obligation joins in the amendment pursuant to this section, the extent of the interest and the remedies shall be deemed to be modified as provided in the amendment. The association shall incur no liability to any party by reason of performing those acts enumerated in this section.

(b) The association may require the owners of the affected units to build a boundary wall and other common elements between the units.

(c) The applicant shall deliver a certified copy of the amendment to the association.

Sec. 515.2-115. [SUBDIVISION OR CONVERSION OF UNITS.] (a) If the declaration expressly so permits, (i) a unit may be subdivided into two or more units, or, (ii) if owned by a declarant, a unit may be subdivided or converted into two or more units, limited common elements, common elements, or a combination of units, limited common elements and common elements. Subject to the provisions of the declaration and other provisions of law, the unit owner shall prepare and execute an amendment to the declaration, including the floor plans, subdividing or converting that unit. The amendment to the declaration shall be executed by the unit owner and any holder of an interest as security for an obligation of the unit to be subdivided or converted, assign an identifying number to each unit created, and reallocate the common element interest, votes in the association, and common expense liability formerly allocated to the subdivided unit to the units in accord with section 515.2-108.

(b) The unit owner shall deliver a certified copy of the recorded amendment to the association.

(c) In the case of a unit owned by a declarant, if a declarant converts part or all of a unit to common elements, the amendment to the declaration shall reallocate among the other units the common element interest, votes in the association, and common expense liability formerly allocated to the converted unit or portion thereof on the same basis used for the initial allocation thereof.

(d) If a holder of an interest as security for an obligation joins in the amendment pursuant to this section, the interest and remedies shall be deemed to apply to the units and the common element interests that result from the subdivision or conversion under this section. In the event of enforcement of any remedy, including foreclosure by advertisement, all instruments and no-

tices shall describe the subject property in terms of the amended description.

Sec. 515.2-116. [MINOR VARIATION IN BOUNDARIES.] The existing physical boundaries of a unit or of a unit reconstructed in substantial accordance with the floor plans are conclusively presumed to be its boundaries regardless of settling or lateral movement of the building.

Sec. 515.2-117. [USE FOR SALES PURPOSES.] If the declaration so provides and specifies the rights of a declarant with regard to their number, size, location and relocation, a declarant may maintain sales offices, management offices, and models in the condominium. Any sales office, management office, or model not designated a unit by the declaration is a common element, and if a declarant ceases to be a unit owner, he ceases to have any rights with regard thereto unless it is removed promptly from the condominium in accordance with a right to remove reserved in the declaration. Subject to any limitations in the declaration, a declarant may maintain signs on the common elements advertising the condominium.

Sec. 515.2-118. [EASEMENT TO FACILITATE COMPLETION, CONVERSION, AND EXPANSION.] Subject to the provisions of the declaration, a declarant has an easement through the common elements as may be reasonably necessary for the purpose of discharging a declarant's obligations or exercising special declarant rights, whether arising under sections 515.1-101 to 515.4-117 or reserved in the declaration.

Sec. 515.2-119. [AMENDMENT OF DECLARATION.] (a) Except in cases of amendments which may be executed by a declarant under sections 515.2-110(c) and (d), 515.2-111(a); the association under section 515.1-107(a); or certain unit owners under sections 515.2-114, 515.2-115, or 515.2-120(b), and except as limited by subsection (d), the declaration may be amended by the association only by a vote or written agreement of unit owners to which at least 67 percent of the votes in the association are allocated, and 67 percent of the first mortgagees of the units (each mortgagee having one vote per unit financed) or any larger or smaller majority the declaration specifies. The declaration may specify any percentage if all of the units are restricted exclusively to nonresidential use.

(b) Every amendment to the declaration shall be recorded in every county in which any portion of the condominium is located, and is effective only when recorded.

(c) Except to the extent expressly permitted or required by other provisions of sections 515.1-101 to 515.4-117, no amendment may create or increase special declarant rights, increase the number of units, convert common elements to limited common elements, or change the boundaries of any unit, the common

element interest, common expense liability, or voting strength in the association allocated to a unit, or the uses to which any unit is restricted, in the absence of unanimous written agreement of the unit owners and holders of an interest as security for an obligation.

(d) Limited common elements shall not be altered without the written agreement of the unit owners and holders of an interest to secure an obligation of the units to which the limited common elements are allocated.

(e) An affidavit of the secretary of the association stating that the votes or agreements required by this section have occurred, shall be attached to the amendment and shall constitute prima facie evidence of the representations contained therein.

Sec. 515.2-120. [TERMINATION OF CONDOMINIUM.]

(a) Except in the case of a taking of all the units by eminent domain (section 515.1-107), a condominium may be terminated only by agreement of unit owners of units to which at least 80 percent of the votes in the association are allocated, and 80 percent of the first mortgagees of the units (each mortgagee having one vote per unit financed), or any larger percentage the declaration specifies. The declaration may specify a smaller percentage only if all of the units in the condominium are restricted exclusively to nonresidential uses.

(b) An agreement of unit owners and mortgagees to terminate a condominium must be evidenced by their execution of a termination agreement or ratification thereof. If, pursuant to a termination agreement, the real estate constituting the condominium is to be sold following termination, the termination agreement shall set forth the terms of the sale. A termination agreement and all ratifications thereof shall be effective upon recording in every county in which a portion of the condominium is situated.

(c) If the termination agreement provides that the real estate constituting the condominium is to be sold following termination, title to that real estate, upon termination, vests in the association as trustee for the holders of all interests in the units. The association as trustee hereafter has all powers necessary and appropriate to effect the sale. Until the sale has been concluded and the proceeds thereof distributed, the association continues in existence with all powers and responsibilities it had before termination whether under the declaration or otherwise. Unless the termination agreement otherwise provides, proceeds of the sale shall be paid to the association as trustee and shall be distributed to the unit owners and holders of an interest as security for an obligation as their interests may appear and according to the priority enjoyed prior to termination in proportion to the respective interests of unit owners as provided in subsection (f). Any interest as security for an ob-

ligation formerly affecting a unit shall constitute a claim against the proceeds in the amount existing at the time of termination plus interest and other amounts accrued until distribution. Except as otherwise specified in the termination agreement, as long as the association as trustee holds title to the real estate, each unit owner and his successors in interest have the right to use the real estate that formerly constituted the common elements and have an exclusive right to occupancy of the portion of the real estate that formerly constituted his unit and limited common elements. During the period of such occupancy, each unit owner and his successors in interest remain liable for all assessments and other obligations imposed on unit owners by sections 515.1-101 to 515.4-117, the declaration, or the termination agreement.

(d) If the real estate constituting the condominium is not to be sold following termination, title to the real estate, upon termination, vests in the unit owners as tenants in common in proportion to their respective interests as provided in subsection (f). Any interests held as security for an obligation and the respective instruments formerly affecting a unit shall be deemed to be an interest affecting the resulting undivided interest in the same manner as they formerly affected the unit. As long as the tenancy in common exists, each unit owner and his successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted his unit and limited common elements. Unless the termination agreement otherwise provides during the period of tenancy in common, the cotenants and the association shall have the rights and obligations under sections 515.1-101 to 515.4-117, the declaration and bylaws and the termination agreement.

(e) Following termination of the condominium, and after payment of or provision for the claims of the association's creditors, the assets of the association shall be distributed to unit owners and holders of an interest as security for an obligation in proportion to their respective interests as provided in subsection (f). The proceeds of sale described in subsection (c) and held by the association as trustee are not assets of the association.

(f) The respective interests of unit owners referred to in subsections (c), (d), and (e) are as follows:

(1) except as provided in paragraph (2), the respective interests of unit owners are the fair market values of their units, limited common elements, and common element interests immediately before the termination, as determined by one or more independent appraisers selected by the association. The decision of the independent appraisers shall be delivered in the manner provided in section 515.1-115 addressed to the "Occupant Entitled to Legal Notice" at each unit and the first mortgagee of each unit at its last known address and becomes final unless

disapproved within 30 days after delivery by unit owners of units to which 25 percent of the votes in the association are allocated or by 25 percent of the first mortgagees, each mortgagee having one vote per unit financed. The proportion of any unit owner's interest to that of all unit owners is determined by dividing the fair market value of his interest by the total fair market values of the interests of all unit owners.

(2) if any unit is destroyed to the extent that an appraisal of the fair market value thereof prior to destruction cannot be made and there is not satisfactory evidence to afford such an appraisal, the interests of all unit owners are their respective common element interests immediately before the termination.

Sec. 515.2-121. [RIGHTS OF HOLDERS OF AN INTEREST AS SECURITY FOR AN OBLIGATION.] (a) Nothing in sections 515.1-101 to 515.4-117 unless expressly stated diminishes the rights of holders of an interest as security for an obligation or prevents the declaration from requiring that all or a specified number or percentage of holders of an interest as security for an obligation affecting the units approve specified actions of the unit owners or the association as a condition to the effectiveness of those actions, but no requirement for approval may operate to (1) deny or delegate control over the general administrative affairs of the association by the unit owners, or (2) prevent the association from commencing, intervening in or settling any litigation or proceeding, or receiving and distributing any insurance proceeds pursuant to section 515.3-112.

(b) Foreclosure or enforcement of an interest as security for an obligation against the entire condominium does not of itself terminate the condominium. Foreclosure or enforcement of an interest as security for an obligation against a portion of the condominium without redemption withdraws that portion from the condominium unless (i) the interest is recorded subsequent to the recording of the declaration or is otherwise subordinate to the declaration, or (ii) the holder or his predecessor has issued a release or deed for a unit.

ARTICLE III

MANAGEMENT OF THE CONDOMINIUM

Section 515.3-101. [ORGANIZATION OF UNIT OWNERS ASSOCIATION.] A unit owners association shall be organized no later than the date the condominium is created. The membership of the association at all times shall consist exclusively of all the unit owners or, following termination of the condominium, of all former unit owners entitled to distributions of proceeds under section 515.2-120, or their heirs, successors, or assigns. The association shall be organized as a profit or nonprofit corporation.

Sec. 515.3-102. [POWERS OF UNIT OWNERS ASSOCIATION.] (a) Unless limited by the provisions of the declaration, the association may:

- (1) adopt and amend rules and regulations;
- (2) adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from unit owners;
- (3) hire and terminate managing agents and other employees, agents, and independent contractors;
- (4) institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more unit owners on matters affecting the condominium;
- (5) regulate the use, maintenance, repair, replacement and modification of common elements;
- (6) cause improvements to be made as a part of the common elements;
- (7) grant leases, licenses, and concessions not to exceed one year and utility easements through or over the common elements; provided, however, that after conveyance to owners other than the declarant or affiliate of a declarant of units to which more than 50 percent of the voting power is allocated, the association may by resolution of a meeting of the members duly called grant leases, licenses, and concessions in excess of one year and easements through or over the common elements;
- (8) impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements other than limited common elements described in section 515.2-102 (2) and (4);
- (9) impose reasonable charges including reasonable costs and attorneys' fees, for the evaluation, preparation and recordation of amendments to the declaration, resale certificates required by section 515.4-107, or statements of unpaid assessments;
- (10) provide for the indemnification of its officers and board and maintain directors' and officers' liability insurance;
- (11) impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the declaration, bylaws, and rules and regulations of the association;

(12) exercise any other powers conferred by state law, the declaration, or bylaws.

(b) Notwithstanding subsection (a), the declaration may not impose limitations on the power of the association to deal with the declarant that are more restrictive than the limitations imposed on the power of the association to deal with other persons.

Sec. 515.3-103. [BOARD OF DIRECTORS, MEMBERS AND OFFICERS.] (a) The declaration may provide for a period of declarant control of the association, during which period a declarant, or persons designated by him, may elect the members of the board of directors. Any period of declarant control extends from the date of the first conveyance of a unit to a unit owner other than a declarant for a period not exceeding five years in the case of a flexible condominium or three years in the case of any other condominium. Regardless of the period provided in the declaration, a period of declarant control terminates upon surrender of control by the declarant or no later than 60 days after conveyance of 75 percent of the units to unit owners other than a declarant.

(b) Not later than 60 days after conveyance of 50 percent of the units to unit owners other than a declarant not less than 33-1/3 percent of all of the members of the board of directors shall be elected by unit owners other than the declarant.

(c) Not later than the termination of the period of declarant control and thereafter the unit owners shall elect a board of directors of at least three members, at least a majority of whom shall be unit owners or the individual nominees of unit owners other than individuals. The board of directors shall elect the officers. The persons elected shall take office upon election.

(d) In determining whether the period of declarant control has terminated under subsection (a), or whether unit owners other than a declarant are entitled to elect members of the board of directors under subsection (b), the percentage of the units which has been conveyed is presumed to be that percentage which would have been conveyed if all the units which the declarant has built or reserved the right to build in the declaration were included in the condominium.

Sec. 515.3-104. [TRANSFER OF SPECIAL DECLARANT RIGHTS.] (a) No special declarant rights (section 515.1-103 (18)) created or reserved under sections 515.1-101 to 515.4-117 may be transferred except by an instrument evidencing the transfer recorded in every county where any portion of the condominium is located. The instrument shall be recordable and is not effective unless executed by the transferor and transferee. If additional real estate is transferred by the declarant, the

transferee shall be deemed to receive all special declarant rights with respect thereto and shall be subject to any obligations imposed by the declaration respecting the additional real estate so transferred.

(b) Upon transfer of any special declarant right, the liability of a transferor declarant is as follows:

(1) a transferor is not relieved of any obligation or liability which arose before the transfer, and remains liable for warranty obligations imposed on him by sections 515.1-101 to 515.4-117. Lack of privity does not deprive any unit owner of standing to bring an action to enforce any obligation of the transferor;

(2) if a transferor retains any special declarant right, or if a successor to any special declarant right is an affiliate of a declarant (section 515.1-103(2)), the transferor is subject to liability for all obligations and liabilities imposed on a declarant by sections 515.1-101 to 515.4-117 or by the declaration arising after the transfer and is jointly and severally liable with the successor for the liabilities and obligations of the successor which relate to the condominium; and

(3) a transferor who retains no special declarant right has no liability for any act or omission or any breach of a contractual or warranty obligation arising from the exercise of a special declarant right by a successor declarant who is not an affiliate of the transferor.

(c) In case of foreclosure of a mortgage or cancellation of a contract for deed or sale under the bankruptcy act or receivership proceeding or the foreclosure of any other lien against any unit owned by a declarant in the condominium, a person first acquiring title to all the units being cancelled, foreclosed or sold, succeeds to all then existing special declarant rights except the special declarant rights with respect to additional real estate, unless the mortgage or other instrument or proceeding also covers additional real estate.

(d) The liabilities and obligations of persons who succeed to special declarant rights are as follows:

(1) A successor to any special declarant right who is an affiliate of a declarant is subject to all the obligations and liabilities imposed on any declarant by sections 515.1-101 to 515.4-117 or by the declaration.

(2) A successor to any special declarant right, other than a successor described in paragraphs (3) or (4) of this subsection, who is not an affiliate of a declarant, is subject to all obligations and liabilities imposed on a declarant by sections 515.1-101 to 515.4-117 or the declaration, except that he is not subject to liability for misrepresentations or warranty obligations on im-

provements made by any previous declarant, or made before the condominium was created, or for a breach of fiduciary obligation by any previous declarant.

(3) A successor to only a right reserved in the declaration to maintain models, sales offices, and signs (section 515.2-117), if he is not an affiliate of a declarant, may not exercise any other special declarant right, and is not subject to any liability or obligation as a declarant, except the obligation to provide a disclosure statement and any liability arising as a result thereof.

(4) A successor to all special declarant rights, who is not an affiliate of a declarant and who succeeded to those rights pursuant to a deed in lieu of foreclosure or by reason of subsection (c), may declare his intention in a recorded instrument to hold those rights solely for transfer to another person. Thereafter, until transferring all special declarant rights to any person acquiring title to any unit owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than the right to control the board of directors in accordance with the provisions of section 515.3-103 for the duration of any period of declarant control, and any attempted exercise of those rights is void. So long as any successor declarant may not exercise special declarant rights under this subsection, he is not subject to any liability or obligation as a declarant other than liability for his acts and omissions under section 515.3-103.

(e) Nothing in this section subjects any successor to a special declarant right to any claims against or other obligations of a transferor declarant, other than claims and obligations arising under sections 515.1-101 to 515.4-117 or the declaration.

Sec. 515.3-105. [TERMINATION OF CONTRACTS AND LEASES OF DECLARANT.] If entered into prior to expiration of the period of declarant control pursuant to section 515.3-103, (1) any management contract, employment contract, or lease of recreational or parking areas or facilities, (2) any other contract or lease binding the association or any unit owner other than the declarant or an affiliate of the declarant to which a declarant or an affiliate of a declarant is a party, or (3) any contract or lease binding the association or any unit owner other than the declarant or an affiliate of the declarant which is not bona fide or which was unconscionable to the unit owners at the time entered into under the circumstances then prevailing, may be terminated without penalty by the association at any time after the expiration of declarant control upon not less than 90 days' notice to the other party. This section does not apply to any lease the termination of which would terminate the condominium.

Sec. 515.3-106. [BYLAWS.] The bylaws and any amendments thereto must be recorded to be effective and shall provide:

(a) The meeting of the members shall be held at least once each year and shall specify an officer who shall, at least 21 days in advance of any annual or regularly scheduled meeting and at least seven days in advance of any other meeting, send to each unit owner notice of the time, place and complete agenda of the meeting. The notice shall be hand delivered or sent by United States mail to all unit owners of record at the address of the respective units and to other addresses as any of them may have designated to the officer.

(b) No vote in the association of unit owners shall be deemed to inure to any unit during the time when the unit owner is the association.

(c) For a mechanism to resolve disputes regarding voting among more than one unit owner of a unit in such a way that the vote allocated to the unit is not split or otherwise cast separately by the several unit owners.

(d) An annual report be prepared by the association and a copy of the report be provided to each unit owner and the report contain a minimum of the following:

(1) A statement of any capital expenditures in excess of two percent of the current budget or \$5,000 whichever is the greater anticipated by the association during the current year or succeeding two fiscal years.

(2) A statement of the status and amount of any reserve or replacement fund and portion of the fund designated for any specified project by the board of directors.

(3) A copy of the statement of financial condition for the association for the last fiscal year.

(4) A statement of the status of any pending suits or judgments to which the association is a party.

(5) A statement of the insurance coverage provided by the association.

(6) A statement of any unpaid assessments by the association on individual units identifying the unit number and the amount of the unpaid assessment.

Sec. 515.3-107. [UPKEEP OF THE CONDOMINIUM.] Except to the extent otherwise provided by the declaration or section 515.3-112(d), the association is responsible for maintenance, repair, and replacement of the common elements and each unit owner is responsible for maintenance, repair, and replacement of his unit. Each unit owner shall afford to the association and the other unit owners, and to their agents or employees, access through his unit reasonably necessary for those purposes.

If damage is inflicted on the common elements or any unit through which access is taken, the unit owner responsible for the damage, or the association if it is responsible, is liable for the prompt repair thereof.

Sec. 515.3-108. [RESERVED.]

Sec. 515.3-109. [RESERVED.]

Sec. 515.3-110. [RESERVED.]

Sec. 515.3-111. [TORT AND CONTRACT LIABILITY.]

(a) If a tort or breach of contract occurred during any period of declarant control (section 515.3-103), the declarant shall indemnify the association for all liability incurred by the association as a result of that tort or breach of contract, including legal fees. Any statute of limitation affecting the association's right of action under this section is tolled until the period of declarant control terminates.

(b) No unit owner shall have tort liability arising out of his ownership of the common elements provided that the association has liability insurance coverage on the occurrence in an amount not less than \$1,000,000.

Sec. 515.3-112. [INSURANCE.] (a) Commencing not later than the time of the first conveyance of a unit to a unit owner other than a declarant, the association shall maintain, to the extent reasonably available:

(1) Property insurance on the common elements and units, exclusive of land, excavations, foundations, and other items normally excluded from property policies, insuring against all risks of direct physical loss. The total amount of insurance after application of any deductibles shall be not less than 80 percent of the full insurable replacement cost of the insured property. The association or its authorized agent may enter a unit at reasonable times upon reasonable notice for the purpose of making appraisals for insurance purposes.

(2) Comprehensive general liability insurance, in an amount determined by the board of directors but not less than any amount specified in the declaration, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements.

(b) If the insurance described in subsection (a) is not maintained, the association shall immediately cause notice of that fact to be sent postage prepaid by United States mail to all unit owners at their respective units and other addresses provided to the association. The declaration may require the association to carry

any other insurance, and the association in any event may carry any other insurance it deems appropriate to protect the association or the unit owners.

(c) Insurance policies carried pursuant to subsection (a) shall provide that:

(1) Each unit owner and holder of a vendor's interest in a contract for deed is an insured person under the policy with respect to liability arising out of his ownership of an undivided interest in the common elements;

(2) The insurer waives its right to subrogation under the policy against any unit owner of the condominium or members of his household and against the association and members of the board of directors;

(3) No act or omission by any unit owner or holder of an interest as security for an obligation, unless acting within the scope of his authority on behalf of the association, shall void the policy or be a condition to recovery under the policy; and

(4) If, at the time of a loss under the policy, there is other insurance in the name of a unit owner covering the same property covered by the policy, the policy is primary insurance not contributing with the other insurance.

(d) Any loss covered by the property policy under subsection (a)(1) shall be adjusted with the association, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the association. The insurance trustee or the association shall hold any insurance proceeds in trust for unit owners and holders of an interest as security for an obligation as their interests may appear. The proceeds shall be disbursed first for the repair or restoration of the damaged common elements and units, and unit owners and holders of an interest as security for an obligation are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the common elements and units have been completely repaired or restored, or the condominium is terminated.

(e) An insurance policy issued to the association does not prevent a unit owner from obtaining insurance for his own benefit.

(f) An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance, upon request, to any unit owner, or holder of an interest as security for an obligation. The insurance may not be cancelled until 30 days after notice of the proposed cancellation has been mailed to the association and to each unit owner and holder of an interest

as security for an obligation to whom certificates of insurance have been issued.

(g) Any portion of the condominium damaged or destroyed shall be promptly repaired or replaced by the association unless (1) the condominium is terminated and the association votes not to repair or replace all or part thereof, (2) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (3) 80 percent of the unit owners, including every owner and first mortgagee of a unit or assigned limited common element which will not be rebuilt, vote not to rebuild. The cost of repair or replacement of a unit or the common area in excess of insurance proceeds and reserves shall be a common expense. If less than the entire condominium is repaired or replaced, (1) the insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the condominium, (2) the insurance proceeds attributable to units and limited common elements which are not rebuilt shall be distributed to the owners of those units and the holders of an interest as security for an obligation of those units and the owners and holders of an interest as security for an obligation of the units to which those limited common elements were assigned, as their interests may appear, and (3) the remainder of the proceeds shall be distributed to all the unit owners and holders of an interest as security for an obligation as their interests may appear in proportion to their common element interest. In the event the unit owners vote not to rebuild a unit, that unit's entire common element interest, votes in the association, and common expense liability are automatically reallocated upon the vote as if the unit had been condemned under section 515.1-107(a), and the association shall promptly prepare, execute and record an amendment to the declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, if the condominium is terminated, insurance proceeds not used for repair or replacement shall be distributed in the same manner as sales proceeds pursuant to section 515.2-120.

(h) The provisions of this section may be varied or waived in the case of a condominium all of the units of which are restricted to nonresidential use.

Sec. 515.3-113. [SURPLUS FUNDS.] Unless otherwise provided in the declaration, any surplus funds of the association remaining after payment of or provision for common expenses and any prepayment of reserves shall be credited to the unit owners to reduce their future common expense assessments.

Sec. 515.3-114. [ASSESSMENTS FOR COMMON EXPENSES.] (a) Until the association levies a common expense assessment, the declarant shall pay all accrued expenses of the condominium. After any assessment has been levied by the association, assessments shall be levied at least annually and

shall be based on a budget adopted at least annually by the association.

(b) Except for assessments under subsections (c) and (d), common expenses shall be assessed against all the units in accordance with the common expense liability allocated to each unit (section 515.2-108). Any past due assessment or installment thereof shall bear interest at the rate established by the association not exceeding the rate of interest provided in section 549.09.

(c) Except as provided by the declaration any common expense associated with the maintenance, repair, or replacement of a limited common element shall be assessed against the unit or in equal shares against the units to which that limited common element was assigned at the time the expense was incurred.

(d) If the declaration so provides, the association may assess any common expense benefiting less than all of the units against the units benefited. In that case the common expense shall be allocated among units benefited in proportion to their common expense liability.

Sec. 515.3-115. [LIEN FOR ASSESSMENTS.] (a) The association has a lien on a unit for any assessment levied against that unit from the time the assessment becomes payable. The association's lien may be foreclosed as provided by the laws of this state as if it were a lien under a mortgage containing a power of sale. The rights of the parties shall be the same as those provided by law except that the period of redemption for unit owners shall be six months from the date of sale. Unless the declaration otherwise provides, fees, charges, late charges, and interest charges pursuant to section 515.3-102(8), (9) and (12) are enforceable as assessments under this section.

(b) A lien under this section is prior to all other liens and encumbrances on a unit except (1) liens and encumbrances recorded before the recordation of the declaration, (2) any recorded mortgage on the unit securing a first mortgage holder, and (3) liens for real estate taxes and other governmental assessments or charges against the unit. This subsection does not affect the priority of mechanics' or materialmen's liens.

(c) Recording of the declaration constitutes record notice and perfection of the lien, and no further recordation of any claim of lien for assessment under this section is required.

(d) Proceedings to enforce an assessment must be instituted within three years after the last installment of the assessment becomes payable.

(e) Unit owners at the time an assessment is payable are personally liable to the association for payment of the assessments.

(f) A foreclosure sale, judgment or decree in any action, proceeding or suit brought under this section shall include costs and reasonable attorney's fees for the prevailing party.

(g) The association shall furnish to a unit owner or his authorized agent upon written request of the unit owner or his authorized agent a recordable statement setting forth the amount of unpaid assessments currently levied against his unit. The statement shall be furnished within ten business days after receipt of the request and is binding on the association and every unit owner.

Sec. 515.3-116. [ASSOCIATION RECORDS.] The association shall keep financial records sufficiently detailed to enable the association to comply with section 515.4-107. All financial records shall be made reasonably available for examination by any unit owner and his authorized agents.

Sec. 515.3-117. [ASSOCIATION AS TRUSTEE.] With respect to a third person dealing with the association in the association's capacity as a trustee, the existence of trust powers and their proper exercise by the association may be assumed without inquiry. A third person is not bound to inquire whether the association has power to act as trustee or is properly exercising trust powers and a third person, without actual knowledge that the association is exceeding its powers or improperly exercising them, is fully protected in dealing with the association as if it possessed and properly exercised the powers it purports to exercise. A third person is not bound to assure the proper application of trust assets paid or delivered to the association in its capacity as trustee.

ARTICLE IV

PROTECTION OF PURCHASERS

Section 515.4-101. [APPLICABILITY; WAIVER.] (a) This article applies to all units subject to sections 515.1-101 to 515.4-117 except as provided in subsection (b) and section 515.4-113 or as modified or waived by agreement of purchasers of units in a condominium in which all units are restricted to nonresidential use.

- (b) A disclosure statement need not be prepared in case of:
- (1) a gratuitous transfer of a unit;
 - (2) a disposition pursuant to court order;
 - (3) a disposition by a government or governmental agency;

(4) a disposition by foreclosure or deed in lieu of foreclosure and subsequent disposition by the purchaser at mortgage foreclosure sale, or grantee in the deed in lieu of foreclosure;

(5) a transfer to which section 515.4-107 (Resales of Units) applies.

Sec. 515.4-102. [DISCLOSURE STATEMENT; GENERAL PROVISIONS.] A disclosure statement shall fully disclose:

(a) The name and principal address of the declarant and the address and the name, if any, and number, if available, of the condominium;

(b) A general description of the condominium; including without limitation the types and number of all buildings, units and amenities, and declarant's schedule of commencement and completion of construction thereof;

(c) The total number of additional units that may be included in the condominium and whether the declarant intends to rent or market blocks of units to investors;

(d) A copy of the declaration other than the floor plans, floor plans for the particular unit, bylaws, articles of incorporation, rules and regulations, and any contracts and leases to which the unit owners or association will be subject and which may not be cancelled upon 30 days notice by the association;

(e) Any current balance sheet and a projected budget for the association for the first full or partial year during which a unit is conveyed to a unit owner other than a declarant and any projected budget for future years which the association has adopted, and a statement of who prepared the balance sheet, projected budget or budget. The budget or projected budget shall include, without limitation:

(1) a statement of the amount, or a statement that there is no amount, included in the budget as a reserve for repairs and replacement;

(2) a statement of any other reserves;

(3) the projected common expense assessment by category of expenditures for the association;

(4) the projected monthly common expense assessment for each type of unit;

(f) Any supplies and services not reflected in the budget or projected budget which the declarant provides, or expenses which he pays, and which he expects may become at any subse-

quent time a common expense of the association and the projected common expense assessment attributable to each of those services or expenses for the association and for each type of unit;

(g) Any initial or special fee due from the purchaser to the declarant or the association at closing, together with a description of the purpose and method of calculating the fee;

(h) A description of any liens, defects, or encumbrances on or affecting the title to the condominium after the contemplated conveyance;

(i) A description of any financing offered by the declarant;

(j) The terms of any warranties provided by the declarant, including the warranties set forth in sections 515.4-111 and 515.4-112, and limitations imposed by the declarant on the enforcement thereof;

(k) A statement that:

(1) within 15 days after receipt of a disclosure statement, a purchaser may, prior to conveyance, cancel any purchase agreement of a unit from a declarant;

(2) if a declarant fails to provide a disclosure statement to a purchaser before conveying a unit, that purchaser may recover from the declarant an amount not to exceed five percent of the sales price of the unit, and

(3) if a purchaser received the disclosure statement more than 15 days before he signs a purchase agreement, he cannot cancel the agreement;

(l) A statement disclosing, to the extent of the actual knowledge of the declarant or an affiliate of the declarant after reasonable inquiry, any judgments against the association, the status of any pending suits to which the association is a party, and the status of any pending suits material to the condominium;

(m) A statement that any earnest money paid in connection with the purchase of a unit will be held in an escrow account until closing and will be returned to the purchaser if the purchaser cancels the purchase agreement pursuant to section 515.4-106;

(n) A description of the insurance coverage to be provided for the benefit of unit owners;

(o) Any current or expected fees or charges to be paid by unit owners for the use of the common elements and other facilities related to the condominium; and

(p) Whether financial arrangements have been provided for completion of all improvements labeled "MUST BE BUILT" pursuant to section 515.4-117 (Declarant's Obligation to Complete and Restore).

Sec. 515.4-103. [RESERVED.]

Sec. 515.4-104. [S A M E; CONVERSION CONDOMINIUMS.] The disclosure statement of a conversion condominium the units of which may be used for residential purposes shall contain, in addition to the information required by section 515.4-102:

(a) A professional opinion prepared by an architect licensed in this state or a registered professional engineer licensed in this state, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the condominium to the extent reasonably ascertainable without disturbing the improvements or dismantling the equipment;

(b) A statement by the declarant of the expected useful life of each item reported on in subsection (a) or a statement that no representations are made in this regard;

(c) A list of any outstanding notices of uncured violations of building code or other municipal regulations, which will be outstanding at the time of the first conveyance of a unit, together with the estimated cost of curing those violations.

Sec. 515.4-105. [RESERVED.]

Sec. 515.4-106. [PURCHASER'S RIGHT TO CANCEL.]

(a) Unless delivery of a disclosure statement is not required under section 515.4-101(b), a declarant shall provide at least one of the purchasers of a unit with a copy of a disclosure statement not later than the date of any purchase agreement. Unless a purchaser is given the disclosure statement more than 15 days prior to execution of a purchase agreement for the unit, the purchaser may, prior to the conveyance, cancel the agreement within 15 days after receiving the disclosure statement.

If the conveyance occurs within 15 days after the date of the execution of the purchase agreement by the purchaser, any purchaser may waive in writing all rights to receive a disclosure statement under this section.

(b) If a purchaser elects to cancel a purchase agreement pursuant to subsection (a), he may do so by hand delivering notice thereof to the declarant or by mailing notice thereof by postage prepaid United States mail to the declarant or to his agent for service of process. Cancellation is without penalty, and all

payments made by the purchaser pursuant to the purchase agreement shall be refunded promptly.

(c) If a declarant fails to provide a purchaser to whom a unit is conveyed with a disclosure statement and all amendments thereto as required by subsections (a) and (d), that purchaser, in addition to any rights to damages or other relief, is entitled to receive from the declarant an amount not to exceed five percent of the sales price of the unit.

(d) The disclosure statement and any information furnished in connection therewith may be amended prior to conveyance if the amendment is delivered to the purchaser to whom the disclosure statement was delivered. If the amendment materially adversely affects a purchaser, then the purchaser shall have 15 days after delivery of the amendment to cancel the purchase agreement in accordance with this section.

Sec. 515.4-107. [RESALES OF UNITS.] (a) In the event of a resale of a unit by a unit owner other than a declarant, the unit owner shall furnish to a purchaser before execution of any purchase agreement for a unit, or otherwise before conveyance, a copy of the declaration, other than the floor plans, the bylaws, the rules and regulations of the association, and any amendments thereto, and a certificate dated not more than 90 days prior to the date of the purchase agreement or otherwise before conveyance, containing:

(1) a statement disclosing any right of first refusal or other restraint on the free alienability of the unit contained in the declaration, bylaws, rules and regulations, or any amendment thereof;

(2) a statement setting forth the amount of periodic installments of common expense assessments and special assessments and any unpaid common expense or special assessment currently payable;

(3) a statement of any other fees payable by unit owners;

(4) a statement of any capital expenditures approved by the association for the current and next succeeding two fiscal years;

(5) a statement that a copy of the floor plans and any amendments thereof are available in the office of the association for inspection;

(6) a statement of the amount of any reserves for capital expenditures and of any portions of those reserves designated by the association for any specified projects;

(7) the most recent regularly prepared balance sheet and income and expense statement, if any, of the association;

(8) the current budget of the association;

(9) a statement of any judgments against the association and the status of any pending suits to which the association is a party;

(10) a statement describing any insurance coverage provided for the benefit of unit owners.

(b) The association shall, within seven days after a request by a unit owner or his authorized agent, furnish a certificate containing the information necessary to enable the unit owner to comply with this section. A unit owner without actual knowledge providing a certificate pursuant to subsection (a) shall have no liability to the purchaser for any erroneous information provided by the association and included in the certificate.

(c) A purchaser is not liable for any unpaid assessment or fee existing as of the date of the certificate greater than the amount set forth in the certificate prepared by the association. A unit owner is not responsible to a purchaser for the failure or delay of the association to provide the certificate in a timely manner.

Sec. 515.4-1075. [PURCHASER'S RIGHT TO CANCEL.]

(a) The information required to be delivered by section 515.4-107 shall be delivered to a purchaser not later than the date of any purchase agreement. Unless a purchaser is given the information more than 15 days prior to the execution of the purchase agreement for the unit the purchaser may, prior to the conveyance, cancel the agreement within 15 days after receiving the information.

(b) If a purchaser elects to cancel a purchase agreement pursuant to subsection (a), he may do so by hand delivering notice thereof to the seller or his agent or by mailing notice thereof by postage prepaid United States mail to the seller or his agent. Cancellation is without penalty and all payments made by the purchaser shall be refunded promptly.

Sec. 515.4-108. [ESCROW OF DEPOSITS.] Any earnest money paid in connection with the purchase or reservation of a unit from a declarant shall be escrowed and held in this state in an account, savings deposit or certificate of deposit designated solely for that purpose in an institution whose accounts are insured by a governmental agency or instrumentality until (1) delivered to the declarant at closing; (2) delivered to the declarant because of purchaser's default under the purchase agreement or reservation; or (3) delivered to the purchaser.

Sec. 515.4-109. [RELEASE OF INTERESTS AS SECURITY FOR AN OBLIGATION.] (a) Before conveying a unit to a purchaser other than a declarant, the seller shall furnish to

the purchaser releases for that unit and its common element interest of all interests as security for an obligation affecting more real estate than that unit and its common element interest, or if the purchaser expressly agrees, a policy of title insurance insuring against loss or damage by reason of such interests. Failure to furnish the releases does not of itself invalidate the lien or the conveyance. This subsection does not apply to conveyance of all of the units in the condominium or to deeds in lieu of foreclosure.

(b) Whether perfected before or after creation of the condominium, if a lien other than a mortgage, including a lien attributable to work performed or materials supplied before creation of the condominium, becomes effective against two or more units, the unit owner of such a unit may pay to the lienholder the amount of the lien attributable to his unit, and the lienholder, upon receipt of payment, shall promptly deliver a release of the lien covering that unit and its common element interest. The amount of the payment shall be proportionate to the ratio which that unit owner's common expense liability bears to the common expense liabilities of all unit owners whose units are subject to the lien. After payment, the association may not assess or have a lien against that unit owner's unit for any portion of the common expenses incurred in connection with that lien.

(c) Labor performed or materials furnished for the common elements, if duly authorized by the association, shall be deemed to be performed or furnished with the express consent of each unit owner and shall be the basis for the filing of a lien pursuant to the lien law against each of the units and shall be subject to the provisions of subsection (b) of this section.

Sec. 515.4-110. [CONVERSION CONDOMINIUMS.] (a) A declarant of a conversion condominium shall give each of the tenants and any subtenant in possession of buildings subject to sections 515.1-101 to 515.4-117 notice of the conversion or the intent to convert no later than 120 days before the declarant will require them to vacate. The notice shall set forth generally the rights conferred by this section and shall have attached thereto a form of purchase agreement setting forth the terms of sale contemplated by subsection (b) and a statement of any significant restrictions on the use and occupancy of the unit to be imposed by the declarant and shall be hand delivered or mailed by postage prepaid United States mail to the tenant and subtenant at the address of the unit. The notice shall further state that the tenants or subtenants in possession of a residential unit may demand to be given 60 additional days before being required to vacate, if any of them, or any person residing with them, is 62 years of age or older, handicapped as defined in Minnesota Statutes 129A.01, or a minor child on the date the notice is given. This demand must be in writing, contain reasonable proof of qualification, and be given to the declarant within

30 days after the notice of condominium conversion is delivered or mailed. The notice shall be contained in an envelope upon which the following words shall be boldly printed: "Notice of Condominium Conversion". No tenant or subtenant may be required by the declarant to vacate upon less than 120 days notice, except by reason of nonpayment of rent, waste, or conduct which disturbs other tenants' peaceful enjoyment of the premises, and the terms of the tenancy may not be altered during that period, except that a tenant or subtenant in possession of a residential unit may vacate upon 30 days' written notice to the declarant. Nothing in this section prevents the declarant and the tenant or subtenant in possession of the unit from agreeing to an extension of the tenancy on a month to month basis beyond the 120-day notice period. No repair work or remodeling may be commenced or undertaken in the occupied units or common areas of the building during the notice period, unless reasonable precautions are taken to ensure the safety and security of the tenants or subtenants in possession of the premises. Failure of a declarant to give notice as required by this section constitutes a defense to an action for possession.

(b) For 60 days after delivery or mailing of the notice described in subsection (a), the holder of the lessee's interest for each unit on the date the notice is delivered or mailed shall have an option to purchase that unit on the terms set forth in the purchase agreement attached to the notice. The purchase agreement shall contain no terms or conditions preventing the purchase of the unit by the holder because of the age of the holder or of persons residing with the holder. If the holder fails to exercise the option during that 60 day period, the declarant may not offer to dispose of an interest in that unit during the following 180 days at a price or on terms more favorable to the offeree than the price or terms offered to the holder. This subsection does not apply to any unit in a conversion condominium if that unit will be restricted exclusively to nonresidential use or if the boundaries of the converted unit do not substantially conform to the dimensions of the residential unit before conversion.

(c) If a declarant, in violation of subsection (b), conveys a unit to a purchaser for value who has no knowledge of the violation, delivery of the deed conveying the unit extinguishes any right which a holder of a lessee's interest not in possession may have under subsection (b) to purchase that unit, but does not affect the right of the holder to recover damages from the declarant for a violation of subsection (b).

(d) Nothing in this section permits termination of a lease by a declarant in violation of its terms.

Sec. 515.4-111. [EXPRESS WARRANTIES.] (a) Express warranties made by a declarant or an affiliate of a declarant to a purchaser of a unit if reasonably relied upon by the purchaser, are created as follows:

(1) any affirmation of fact or promise which relates to the unit, its use, or rights appurtenant thereto, area improvements to the condominium that would directly benefit the unit, or the right to use or have the benefit of facilities not located in the condominium, creates an express warranty that the unit and related rights and uses will conform to the affirmation or promise;

(2) any model or description of the physical characteristics of the condominium, including plans and specifications of or for improvements, creates an express warranty that the condominium will conform to the model or description. A notice prominently displayed on a model or description shall prevent a purchaser from reasonably relying upon the model or description to the extent of the disclaimer set forth on the notice;

(3) any description of the quantity or extent of the real estate comprising the condominium, including plats or surveys, creates an express warranty that the condominium will conform to the description, subject to customary tolerance; and

(4) a provision that a buyer may put a unit only to a specified use is an express warranty that the specified use is lawful.

(b) Neither formal words, such as "warranty" or "guarantee", nor a specific intention to make a warranty, are necessary to create an express warranty. A statement purporting to be merely an opinion or commendation of the real estate or its value does not create a warranty.

(c) Any conveyance of a unit transfers to the purchaser all express warranties made by a declarant or an affiliate of a declarant.

Sec. 515.4-112. [IMPLIED WARRANTIES.] (a) A declarant warrants to a purchaser that a unit will be in at least as good condition at the earlier of the time of the conveyance or delivery of possession as it was at the time of contracting, reasonable wear and tear excepted.

(b) A declarant warrants to a purchaser that a unit and the common elements in the condominium are structurally suitable for the ordinary uses of real estate of its type and that any improvements or repairs made or contracted for by him or made by any person in contemplation of the creation of the condominium, will be:

(1) free from defective materials; and

(2) constructed in accordance with applicable law, according to sound engineering and construction standards, and in a workmanlike manner.

(c) A declarant warrants to a purchaser of a unit which may be used for residential use that the residential use does not violate applicable law at the earlier of the time of conveyance or delivery of possession.

(d) Warranties imposed by this section may be excluded or modified as specified in section 515.4-113.

(e) For purposes of this section, improvements made or contracted for by an affiliate of a declarant (section 515.1-103(2)) are made or contracted for by the declarant.

(f) Any conveyance of a unit transfers to the purchaser all of any declarant's implied warranties.

Sec. 515.4-113. [EXCLUSION OR MODIFICATION OF IMPLIED WARRANTIES.] (a) Except as limited by subsection (b) implied warranties:

(1) may be excluded or modified by agreement of the parties; and

(2) are excluded by expression of disclaimer, such as "as is", "with all faults", or other language which in common understanding calls the buyer's attention to the exclusion of warranties.

(b) With respect to a purchaser of a unit which may be occupied for residential use, no general disclaimer of implied warranties is effective, but a declarant may disclaim liability in an instrument signed by the purchaser for a specified defect or specified failure to comply with applicable law, if the defect or failure entered into and became a part of the basis of the bargain.

Sec. 515.4-114. [STATUTE OF LIMITATIONS FOR WARRANTIES.] (a) A judicial proceeding for breach of any obligation arising under section 515.4-111 or 515.4-112 must be commenced within six years after the cause of action accrues, but the parties may reduce the period of limitation to not less than two years. With respect to a unit which may be occupied for residential use, an agreement to reduce the period of limitation shall be evidenced by a separate instrument executed by the purchaser.

(b) Subject to subsection (c), a cause of action under section 515.4-111 or 515.4-112, regardless of the purchaser's lack of knowledge of the breach, accrues:

(1) as to a unit, when the purchaser to whom the warranty is first made enters into possession after a conveyance of a possessory interest if a possessory interest is conveyed or otherwise

at the time of acceptance of the instrument of conveyance if a nonpossessory interest was conveyed; and

(2) as to each common element, the later of (i) the time the common element is completed, (ii) the time the first unit in the condominium is conveyed to a bona fide purchaser, or (iii) as to a common element within any additional real estate or portion thereof the time the first unit therein is conveyed to a bona fide purchaser.

(c) If a warranty under section 515.4-111 or 515.4-112 explicitly extends to future performance or duration of any improvement or component of the condominium, the cause of action accrues at the time the breach is discovered or at the end of the period for which the warranty explicitly extends, whichever is earlier.

Sec. 515.4-115. [EFFECT OF VIOLATIONS ON RIGHTS OF ACTION; ATTORNEYS' FEES.] If a declarant or any other person subject to sections 515.1-101 to 515.4-117 violates any provision thereof or any provision of the declaration or bylaws, any person or class of persons adversely affected by the violation has a claim for appropriate relief. Punitive damages may be awarded in the case of a willful violation of sections 515.1-101 to 515.4-117. The court, in an appropriate case, may award reasonable attorneys' fees.

Sec. 515.4-116. [LABELING OF PROMOTIONAL MATERIAL.] If any improvement contemplated in a condominium is required by section 515.2-110(b)(3) to be labeled "NEED NOT BE BUILT" on the floor plan, no promotional material may be displayed or delivered to prospective purchasers which describes or depicts that improvement unless the description or depiction of the improvement is conspicuously labeled or identified as "NEED NOT BE BUILT".

Sec. 515.4-117. [DECLARANT'S OBLIGATION TO COMPLETE AND RESTORE.] (a) The declarant shall complete all improvements labeled "MUST BE BUILT" on the floor plans prepared pursuant to section 515.2-110.

(b) The declarant is subject to liability for the prompt repair and restoration to a condition compatible with the remainder of the condominium of any portion of the condominium affected by the exercise of rights reserved pursuant to or created by sections 515.2-111, 515.2-117, and 515.2-118.

Sec. 515.4-118. [REFERENCES.] When used in Articles I to IV, the term "this act" and similar terms refer to Articles I to IV.

ARTICLE V

1976 UNIFORM LIMITED
PARTNERSHIP ACT"

Page 28, after line 10, insert

"Sec. 63. When used in Article V, the term "this act" and similar terms refer to Article V."

Delete the title and insert

"A bill for an act regulating certain joint economic activities; enacting the uniform condominium act and the 1976 uniform limited partnership act."

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

Senate Conferees: JACK DAVIES, ALLAN H. SPEAR and JOHN BERNHAGEN.

House Conferees: ROBERT L. ELLINGSON, LEE GREENFIELD and TERRY M. DEMPSEY.

Ellingson moved that the report of the Conference Committee on S. F. No. 133 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 133, A bill for an act relating to partnerships; enacting the 1976 uniform limited partnership act.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, D.	Esau	Hokanson	Lehto
Adams	Carlson, L.	Evans	Jaros	Levi
Ainley	Casserly	Ewald	Jennings	Long
Albrecht	Clark	Faricy	Johnson, C.	Luknic
Anderson, B.	Clawson	Fjoslien	Johnson, D.	Mann
Anderson, D.	Corbid	Forsythe	Jude	McCarron
Anderson, G.	Crandall	Friedrich	Kahn	McDonald
Battaglia	Dean	Fritz	Kalis	McEachern
Begich	Dempsey	Fudro	Kelly	Mehrkens
Berglin	Den Ouden	Greenfield	Kempe	Metzen
Berkelman	Drew	Halberg	Knickerbocker	Minne
Biersdorf	Eken	Haukoos	Kostohryz	Moe
Blatz	Elioff	Heap	Kroening	Munger
Brinkman	Ellingson	Heinitz	Kvam	Murphy
Byrne	Erickson	Hoberg	Laidig	Nelsen, B.

Nelsen, M.	Pehler	Rice	Stoa	Weaver
Nelson	Peterson, B.	Rodriguez	Stowell	Welch
Niehaus	Peterson, D.	Rose	Sviggum	Wenzel
Norman	Piepho	Rothenberg	Swanson	Wieser
Novak	Pleasant	Sarna	Thiede	Wigley
Nysether	Prahl	Schreiber	Tomlinson	Wynia
Olsen	Redalen	Sherwood	Valan	Zubay
Osthoff	Reding	Sieben, M.	Valento	Spkr. Norton
Otis	Rees	Simoneau	Vanasek	
Patton	Reif	Stadum	Waldorf	

Those who voted in the negative were:

Anderson, R. Ludeman Onnen Welker

The bill was repassed, as amended by Conference, and its title agreed to.

Berglin moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1095

A bill for an act relating to courts; authorizing certain actions against state officers to be tried in a county other than where the cause of action arose; providing for procedure for removal; amending Minnesota Statutes 1978, Sections 542.03; and 542.18.

April 8, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1095, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1095 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, 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, and tenth 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 two district court judges of the judicial district. *The district judges regularly assigned to hold court in the tenth judicial district may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for each district court judge of the district.* In addition, the Dakota county board of commissioners may authorize the district judges regularly assigned to hold court in the first judicial district to appoint three competent law clerks, whose salaries shall be paid by the county.

Sec. 2. Minnesota Statutes 1978, Section 542.03, is amended to read:

542.03 [OFFICIAL MISCONDUCT, WHERE CAUSE AROSE.] *Subdivision 1. Except as provided in subdivision 2, actions against a public officer, or person specially appointed to execute his duties, for acts done by virtue of (SUCH) his office, and against any person for like cause who has acted in place or in aid of (SUCH) the officer, and actions to recover penalties or forfeitures imposed by statute, shall be tried in the county in which the cause of action arose. If the act for which the penalty or forfeiture is imposed (BE) is committed upon a lake or stream extending into, or bordering upon, more than one county, (SUCH) the action may be tried in any of these counties.*

Subd. 2. The trial of any action against a state official for acts affecting the use of land or waters of the state may, in the discretion of the court, be tried in the county where the land or water is located, whether or not the state official resides in that county, on motion made to the court in that county by any party to the action if the court finds (1) that trial of the action in that county is in the interests of justice, (2) that no party to the action will be prejudiced thereby and (3) that the trial of the action will be expedited. The motion may be submitted on pleadings mailed to the court without the necessity of personal appearance.

Sec. 3. Minnesota Statutes 1978, Section 542.18, is amended to read:

542.18 [STATE AS PARTY TO CIVIL ACTION; REMOVAL FROM RAMSEY COUNTY.] Notwithstanding any provision of law to the contrary, the trial of any civil action in the county of Ramsey to which the state or any officer, department or agency thereof is a party may, in the discretion of the court,

be removed to any other county in which one of the parties resides on motion made to the court as in civil actions by any of the parties to the action, if the court finds (THAT SUCH REMOVAL IS) (1) *that removal is in the interests of justice*, (2) that no party to the action will be prejudiced thereby and (3) that the trial of the action will be expedited thereby. *The motion may be submitted on pleadings mailed to the court without the necessity of personal appearance.*

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 518.156, Subdivision 1, is amended 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 or legal separation has been entered or where none is sought, by filing a petition or motion seeking custody of the child in the county where the child is permanently resident or where he is found or where an earlier order for custody of the child has been entered; or

(b) By a person other than a parent, by filing a petition or motion seeking custody of the child in the county where the child is permanently resident or where he is found or where an earlier order for custody of the child has been entered.

Sec. 5. [EFFECTIVE DATE.] *Sections 1 to 4 are effective the day after final enactment.*

Delete the title in its entirety and insert:

"A bill for an act relating to courts; providing for venue for child custody proceedings; authorizing the appointment of a law clerk for each district court judge in the tenth judicial district; authorizing certain actions against state officers to be tried in a county other than where the cause of action arose; providing for procedure for removal; providing penalties; amending Minnesota Statutes 1978, Sections 484.545, Subdivision 1; 542.03; and 542.18; and Minnesota Statutes, 1979 Supplement, Section 518.156, Subdivision 1."

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

House Conferees: JOHN R. CORBID, RAY W. FARICY and WILLIAM A. CRANDALL.

Senate Conferees: MARVIN B. HANSON, JOHN BERNHAGEN and GENE MERRIAM.

Corbid moved that the report of the Conference Committee on H. F. No. 1095 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1095, A bill for an act relating to courts; authorizing certain actions against state officers to be tried in a county other than where the cause of action arose; providing for procedure for removal; amending Minnesota Statutes 1978, Sections 542.03; and 542.18.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Jude	Nelsen, B.	Schreiber
Adams	Elioff	Kahn	Nelsen, M.	Sherwood
Ainley	Ellingson	Kaley	Nelson	Sieben, H.
Albrecht	Erickson	Kalis	Niehaus	Simoneau
Anderson, B.	Esau	Kelly	Norman	Stadum
Anderson, B.	Evans	Kempe	Novak	Stoa
Anderson, G.	Ewald	Knickerbocker	Nysether	Stowell
Anderson, I.	Fariçy	Kostohryz	Olsen	Sviggum
Battaglia	Fjoslien	Kroening	Onnen	Swanson
Begich	Forsythe	Kvam	Osthoff	Thiede
Berglin	Friedrich	Laidig	Otis	Tomlinson
Berkelman	Fritz	Lehto	Patton	Valan
Biersdorf	Fudro	Levi	Peterson, B.	Valento
Blatz	Greenfield	Long	Piepho	Vanasek
Brinkman	Halberg	Ludeman	Pleasant	Waldorf
Byrne	Haukoos	Luknic	Prahl	Weaver
Carlson, D.	Heap	Mann	Redalen	Welch
Carlson, L.	Heinitz	McDonald	Reding	Welker
Casserly	Hoberg	McEachern	Rees	Wenzel
Clark	Hokanson	Mehrkens	Reif	Wieser
Clawson	Jacobs	Metzen	Rice	Wigley
Corbid	Jaros	Minne	Rodriguez	Wynia
Crandall	Jennings	Moe	Rose	Zubay
Dean	Johnson, C.	Munger	Rothenberg	Spkr. Norton
Den Ouden	Johnson, D.	Murphy	Sarna	
Drew				

The bill was repassed, as amended by Conference, and its title agreed to.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 797, A bill for an act relating to juveniles; juvenile traffic offenders; requiring prosecution of juveniles who commit minor traffic offenses under laws controlling adult offenders; amending Minnesota Statutes 1978, Sections 260.111, Subdivision 1; 260.115, Subdivision 1; 260.121, Subdivision 3; and 260.198.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clawson moved that the House concur in the Senate amendments to H. F. No. 797 and that the bill be repassed as amended by the Senate.

Crandall moved that the House refuse to concur in the Senate amendments to H. F. No. 797, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

The question was taken on the Crandall motion and the roll was called. There were 83 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Johnson, D.	Nelsen, B.	Searle
Adams	Erickson	Jude	Niehaus	Sherwood
Ainley	Esau	Kaley	Norman	Stadum
Albrecht	Evans	Kelly	Novak	Stoa
Anderson, G.	Ewald	Kempe	Nysether	Sviggum
Anderson, I.	Fjoslien	Knickerbocker	Olsen	Thiede
Battaglia	Forsythe	Kroening	Osthoff	Valan
Begich	Friedrich	Kvam	Peterson, B.	Valento
Berkelman	Fritz	Laidig	Piepho	Vanasek
Biersdorf	Fudro	Levi	Prahl	Weaver
Blatz	Halberg	Ludeman	Redalen	Welker
Brinkman	Haukoos	Luknic	Rees	Wenzel
Carlson, D.	Heap	Mann	Reif	Wieser
Crandall	Heinitz	McDonald	Rice	Wigley
Dean	Hokanson	McEachern	Rose	Zubay
Dempsey	Jacobs	Mehrkens	Sarna	
Den Ouden	Jennings	Minne	Schreiber	

Those who voted in the negative were:

Berglin	Corbid	Johnson, C.	Metzen	Otis
Byrne	Drew	Kahn	Moe	Patton
Carlson, L.	Eken	Kalis	Munger	Peterson, D.
Cassery	Ellingson	Kostohryz	Murphy	Reding
Clark	Faricy	Lehto	Nelson	Rodriguez
Clawson	Greenfield	Long	Onnen	Rothenberg

Simoneau Swanson Waldorf Wynia Spkr. Norton
 Stowell Tomlinson Welch

The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2090, A bill for an act relating to Lake County; validating the issuance of a Sunday on-sale intoxicating liquor license.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Battaglia moved that the House concur in the Senate amendments to H. F. No. 2090 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2090, A bill for an act relating to intoxicating liquor; setting a maximum fee for on-sale licenses for veterans organizations and fraternal clubs; validating the issuance of a Sunday on-sale intoxicating liquor license in Lake County; authorizing combination on-sale and off-sale intoxicating liquor licenses in Aitkin County; amending Minnesota Statutes, 1979 Supplement, Section 340.11, Subdivision 11.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 75 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Albrecht	Ellingson	Kostohryz	Novak	Searle
Anderson, B.	Evans	Kroening	Nysether	Sieben, H.
Anderson, G.	Faricy	Laidig	Otis	Sieben, M.
Anderson, I.	Friedrich	Lehto	Patton	Simoneau
Battaglia	Fritz	Levi	Peterson, B.	Stoa
Begich	Fudro	Long	Peterson, D.	Stowell
Berkelman	Hoberg	Mann	Pleasant	Tomlinson
Blatz	Jacobs	McEachern	Prahl	Valan
Brinkman	Jaros	Mehrkens	Redalen	Vanasek
Carlson, D.	Johnson, C.	Metzen	Reding	Voss
Clark	Johnson, D.	Minne	Reif	Waldorf
Crandall	Jude	Moe	Rice	Welch
Drew	Kahn	Munger	Rodriguez	Wenzel
Eken	Kaley	Murphy	Sarna	Zubay
Elioff	Kempe	Nelsen, M.	Schreiber	Spkr. Norton

Those who voted in the negative were:

Aasness	Ainley	Biersdorf	Carlson, L.	Dean
Adams	Berglin	Byrne	Corbid	Den Ouden

Erickson	Heinitz	McDonald	Piepho	Valento
Esau	Hokanson	Nelsen, B.	Rose	Weaver
Ewald	Kalis	Nelson	Rothenberg	Welker
Fjoslien	Kelly	Niehaus	Sherwood	Wieser
Forsythe	Knickerbocker	Norman	Stadum	Wigley
Greenfield	Kvam	Olsen	Sviggum	Wynia
Haukoos	Ludeman	Onnen	Swanson	
Heap	Luknic	Osthoff	Thiede	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2268, A bill for an act relating to financial institution; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; amending Minnesota Statutes 1978, Section 46.24; and Minnesota Statutes, 1979 Supplement, Section 46.04.

PATRICK E. FLAHAVEN, Secretary of the Senate

Ellingson moved that the House concur in the Senate amendments to H. F. No. 2268 and that the bill be repassed as amended by the Senate.

Adams moved that the House refuse to concur in the Senate amendments to H. F. No. 2268, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

The question was taken on the Adams motion and the roll was called. There were 70 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Aasness	Crandall	Evans	Haukoos	Kalis
Adams	Dean	Ewald	Heap	Knickerbocker
Ainley	Dempsey	Fjoslien	Heinitz	Kvam
Albrecht	Den Ouden	Forsythe	Hoberg	Laidig
Biersdorf	Drew	Friedrich	Jennings	Levi
Brinkman	Erickson	Fritz	Johnson, D.	Ludeman
Carlson, D.	Esau	Halberg	Kaley	Luknic

Mann	Norman	Piepho	Schreiber	Valan
McDonald	Nysether	Pleasant	Searle	Valento
Mehrkens	Olsen	Redalen	Sherwood	Weaver
Metzen	Onnen	Rees	Stadum	Welker
Murphy	Osthoff	Reif	Stowell	Wieser
Nelsen, B.	Patton	Rose	Sviggum	Wigley
Niehaus	Peterson, B.	Rothenberg	Thiede	Zubay

Those who voted in the negative were:

Anderson, G.	Corbid	Kahn	Nelsen, M.	Sieben, M.
Anderson, I.	Eken	Kelly	Nelson	Simoneau
Battaglia	Elioff	Kempe	Novak	Stoa
Begich	Ellingson	Kostohryz	Otis	Swanson
Berglin	Faricy	Kroening	Pehler	Tomlinson
Berkelman	Fudro	Lehto	Peterson, D.	Vanasek
Blatz	Greenfield	Long	Prahl	Voss
Byrne	Hokanson	McCarron	Reding	Waldorf
Carlson, L.	Jacobs	McEachern	Rice	Welch
Casserly	Jaros	Minne	Rodriguez	Wenzel
Clark	Johnson, C.	Moe	Sarna	Wynia
Clawson	Jude	Munger	Sieben, H.	Spkr. Norton

The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 121.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 121, A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 12; removing references to legislative days.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 644

A bill for an act relating to health; prohibiting applicants for certain dental licenses who fail a clinical examination twice from further taking the examination without additional education and training; requiring the board of dentistry to promulgate rules establishing requirements for this education and training; requiring licensed dentists, dental hygienists and registered dental assistants to inform the board of dentistry when changing addresses; setting standards for the names under

which dentists may practice; authorizing the board of dentistry to promulgate rules governing advertising by dentists; authorizing the board of medical examiners to promulgate rules governing advertising by physicians; establishing penalties; amending Minnesota Statutes 1978, Chapter 147, by adding a section; Sections 150A.06, Subdivisions 1, 2 and 2a; 150A.09, Subdivision 3; and 150A.11, Subdivisions 1 and 2.

April 9, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 644, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 644 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1978, 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, 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, may be examined by the board or by an agency pursuant to section 150A.03, subdivision 1, in (SUCH) a manner (AS) to test (THOROUGHLY) the applicant's fitness to practice 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. 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. *The board may by rule provide that an applicant shall be ineligible to retake the clinical examination required by the board upon failing it on two occasions until such time as he obtains further education and training as specified by the board in the rule.* A separate fee may be charged for each time a person applies which in no case shall be refunded. An applicant who 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 chapter 15.

Sec. 2. Minnesota Statutes 1978, 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, 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 be examined by the board or by an agency pursuant to section 150A.03, subdivision 1, in (SUCH) a 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 of the board. *The board may by rule provide that an applicant shall be ineligible to retake the clinical examination required by the board upon failing it on two occasions until such time as he obtains further education and training as specified by the board in the rule.* A separate fee may be charged for each time a person applies which in no case shall be refunded. An applicant who 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 chapter 15.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 150A.06, Subdivision 2a, is amended to read:

Subd. 2a. [REGISTERED 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 section 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. *The board may by rule provide that an applicant shall be ineligible to retake the clinical examination required by the board upon failing it on two*

occasions until such time as he obtains further education and training as specified by the board in the rule. A separate fee may be charged for each time a person (APPLIED) applies 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 chapter 15.

Sec. 4. Minnesota Statutes 1978, Section 150A.09, Subdivision 3, is amended to read:

Subd. 3. [CHANGE OF ADDRESS AND DUPLICATE CERTIFICATES.] Every licensed dentist upon changing his location of practice, every dental hygienist and every registered dental assistant, upon changing his address shall, within (TEN) 30 days thereafter, furnish the board with his new address. Duplicate licenses or duplicate annual certificates of license renewal may be issued by the board upon satisfactory proof being furnished to the board of the need for such duplicates and upon the payment of the fee established by the board.

Sec. 5. Minnesota Statutes 1978, Section 150A.11, Subdivision 1, is amended to read:

150A.11 [UNLAWFUL ACTS.] Subdivision 1. [UNLAWFUL PRACTICE.] It shall be unlawful for any person to: enable an unlicensed person to practice dentistry; or to practice or attempt to practice dentistry without a license; or to practice dentistry under the name of a corporation (,) or company (, ASSOCIATION, OR TRADE NAME, OR UNDER ANY NAME EXCEPT HIS OWN PROPER NAME, WHICH SHALL BE THE NAME USED IN HIS LICENSE AS ISSUED BY THE STATE BOARD OF DENTISTRY); or to practice under any name that may tend to deceive the public or imply professional superiority to or greater skill than that possessed by another dentist. If a dentist practices under his own name, any public display or cards shall include the initials of his dental degree, such as D.D.S. or D.M.D., following the name. If a dentist practices under a name other than his own, the name shall include some designation which makes clear that the person is practicing dentistry or some specialty thereof; and that the names of all of the participating dentists practicing under the name be clearly identified on letterheads and building or office signs that display a name other than the dentist's own name. Any communication between dentist and patient shall clearly indicate the name of the dentist treating the patient. The board may promulgate rules regarding the name under which a dentist may practice. No corporation shall practice dentistry or engage therein, or hold itself out as being entitled to practice dentistry, or

furnish dental services or dentists, or advertise under or assume the title of dentists or dental surgeons or equivalent title. No corporation shall furnish dental advice, or advertise or hold itself out with any other person or alone, that it has or owns a dental office or can furnish dental service, dentists, or dental surgeons, or solicit, through itself, or its agents, officers, employees, directors or trustees, dental patronage for any dentist or dental surgeon. The provisions of this section:

(1) Shall not apply to any licensee while acting as an instructor in or under the University of Minnesota including the Mayo graduate school of medicine, or any other school in the state recognized by the state board of dentistry;

(2) Shall not prohibit any dentist from incorporating his practice of dentistry for business purposes under the special provisions of a corporate practice act for dentistry;

(3) Shall not be construed to change or amend the right of licensed dentists to provide dental care under any form of organization that is now or hereafter lawful under the laws of this state, or to contract to sell their services in any manner that is now or hereafter lawful under the laws of this state.

Sec. 6. Minnesota Statutes 1978, Chapter 214, is amended by adding a section to read:

[214.15] [TRADE REGULATION.] *Notwithstanding any other law to the contrary, members of occupations regulated by the licensing boards may advertise, but advertisements must not be inconsistent with rules relating to advertising format and substance which each board is herewith empowered to adopt if that board had statutory advertising limitations on the effective date of the rules. A board may adopt rules relating to minimum fees, splitting of fees, referral fees, compensation, hours of practice, or other practice limitations, but only if (a) the governor or the board had specific statutory limitations or specific statutory authority to adopt the rules on the effective date of the rules, (b) the rules are not inconsistent with other law and (c) the rules are immediately and directly related to the protection of the safety and well-being of citizens of the state.*

Sec. 7. Minnesota Statutes 1978, Section 60A.17, is amended by adding a subdivision to read:

Subd. 2b. [TEMPORARY LICENSE FOR QUALIFIED PERSON.] The commissioner shall grant a temporary license to act as an insurance agent to a person satisfying the requirements of subdivision 2, clauses (2) and (3).

Such person shall receive a temporary license to act as an insurance agent no later than the date upon which he receives

notification from the commissioner that he has passed the examination required by subdivision 2, clause (2).

The temporary license authorized by this subdivision shall be issued for the insurance company which has endorsed the person's application for license. It shall be limited to the line or lines of insurance for which the applicant has satisfactorily completed the written examination and it shall be valid until the license required by subdivision 1 is obtained from the commissioner. In no event shall the temporary license be valid for a period in excess of 90 days.

Sec. 8. Minnesota Statutes 1978, Section 62F.01, Subdivision 2, is amended to read:

Subd. 2. Sections 62F.01 to 62F.14 expire September 1, (1980) 1982.

Sec. 9. Minnesota Statutes 1978, Section 62F.06, Subdivision 1, is amended to read:

62F.06 [POLICY FORMS AND RATES.] Subdivision 1. A policy issued by the association shall provide for a continuous period of coverage beginning with its effective date and terminating automatically at 12:01 a.m. on September 1, (1978) 1982, or sooner as provided in sections 62F.01 to 62F.14. The policy shall be issued subject to the group retrospective rating plan and the stabilization reserve fund authorized by section 62F.09. The policy shall be written to apply to injury which results from acts or omissions during the policy period. No policy form shall be used by the association unless it has been filed with the commissioner, and the commissioner may disapprove the form within 30 days if he determines it is misleading or violates public policy.

Sec. 10. *Sections 1 to 5 are effective July 1, 1981. Section 7 is effective June 1, 1980. Section 6 is effective January 1, 1981. Sections 8 and 9 are effective the day following final enactment.*

Further, delete the title and insert:

"A bill for an act relating to licensed occupations; allowing the board of dentistry by rule to prohibit applicants for certain dental licenses who fail a clinical examination twice from further taking the examination without additional education and training specified by the board in the rule; requiring licensed dentists, dental hygienists and registered dental assistants to inform the board of dentistry when changing addresses; setting standards for the names under which dentists may practice; requiring the issuance of temporary licenses to certain qualified persons to act as insurance agents; extending the temporary joint underwriting association act for an additional two year period; extending the termination date of certain insurance policies; providing for rules on advertising by licensed professionals; establishing

penalties; amending Minnesota Statutes 1978, Chapter 214, by adding a section; Sections 60A.17, by adding a subdivision; 62F.-01, Subdivision 2; 62F.06, Subdivision 1; 150A.06, Subdivisions 1 and 2; 150A.09, Subdivision 3; 150A.11, Subdivision 1; and Minnesota Statutes, 1979 Supplement, Section 150A.06, Subdivision 2a."

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

House Conferees: THOMAS R. BERKELMAN; O. J. HEINITZ and ROBERT W. REIF.

Senate Conferees: ROGER E. STRAND and DAVID D. SCHAAF.

Berkelman moved that the report of the Conference Committee on H. F. No. 644 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 644, A bill for an act relating to health; prohibiting applicants for certain dental licenses who fail a clinical examination twice from further taking the examination without additional education and training; requiring the board of dentistry to promulgate rules establishing requirements for this education and training; requiring licensed dentists, dental hygienists and registered dental assistants to inform the board of dentistry when changing addresses; setting standards for the names under which dentists may practice; authorizing the board of dentistry to promulgate rules governing advertising by dentists; authorizing the board of medical examiners to promulgate rules governing advertising by physicians; establishing penalties; amending Minnesota Statutes 1978, Chapter 147, by adding a section; Sections 150A.06, Subdivisions 1, 2 and 2a; 150A.09, Subdivision 3; and 150A.11, Subdivisions 1 and 2.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Adams	Carlson, D.	Erickson	Heinitz	Kostohryz
Ainley	Carlson, L.	Esau	Hoberg	Kroening
Albrecht	Casserly	Evans	Hokanson	Kvam
Anderson, B.	Clark	Ewald	Jacobs	Laidig
Anderson, G.	Clawson	Faricy	Jaros	Lehto
Anderson, I.	Corbid	Fjoslien	Johnson, C.	Levi
Battaglia	Crandall	Forsythe	Johnson, D.	Long
Begich	Dean	Friedrich	Jude	Ludeman
Berglin	Dempsey	Fritz	Kahn	Luknic
Berkelman	Den Ouden	Fudro	Kaley	Mann
Biersdorf	Drew	Greenfield	Kalis	McCarron
Blatz	Eken	Halberg	Kelly	McDonald
Brinkman	Elioff	Haukoos	Kempe	McEachern
Byrne	Ellingson	Heap	Knickerbocker	Mehrrens

Metzen	Olsen	Reding	Sieben, H.	Voss
Minne	Onnen	Rees	Sieben, M.	Waldorf
Moe	Osthoff	Reif	Simoneau	Weaver
Munger	Otis	Rice	Stoa	Welch
Nelsen, B.	Patton	Rodriguez	Stowell	Welker
Nelsen, M.	Pehler	Rose	Sviggum	Wenzel
Nelson	Peterson, B.	Rothenberg	Swanson	Wieser
Niehaus	Peterson, D.	Sarna	Thiede	Wigley
Norman	Piepho	Schreiber	Valan	Wynia
Novak	Pleasant	Searle	Valento	Zubay
	Redalen	Sherwood	Vanasek	Spkr. Norton

The bill was repassed, as amended by Conference, and its title agreed to.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The Message from the Senate and the Conference Committee report on S. F. No. 572 together with the pending point of order raised earlier today by Faricy were reported to the House.

Speaker pro tem Johnson, C., ruled the Faricy point of order not well taken and the Conference Committee report on S. F. No. 572 in order.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 572, A bill for an act relating to the city of Bloomington; authorizing additional on-sale liquor licenses.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 572

A bill for an act relating to the city of Bloomington; authorizing additional on-sale liquor licenses.

April 3, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 572, report that we have agreed upon the items in dispute and recommend as follows:

The House recede from its amendments and that S. F. No. 572 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. The label of any brand of intoxicating or non-intoxicating malt beverage may be registered only by the brand owner or its authorized agent. No such brand may be imported for sale within the state without the consent of the brand owner or its authorized agent.

Nothing in this subdivision shall be construed to repeal, limit or otherwise affect the provisions of section 340.114.

Sec. 2. Subdivision 1. The area known as the Metropolitan Sports area, comprising 147 acres, and which is generally described as lying east of Cedar Avenue, south of East 79th Street, west of 24th Avenue South and north of Killebrew Drive, shall be exempt from any legal limitations on the number of on-sale liquor licenses. The on-sale liquor licenses may be issued to establishments located in said area by the city and shall not apply to any limitation in Minnesota Statutes, Section 340.11, Subdivision 5a, and Laws 1979, Chapter 305, Section 2.

Subd. 2. This section is effective only upon approval by a majority of the city council in compliance with Minnesota Statutes, Section 645.021."

Delete the title and insert:

"A bill for an act relating to liquor; regulating registration of brand labels; removing certain limitations on the numbers of on-sale licenses which the city of Bloomington may issue."

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

Senate Conferees: OTTO T. BANG, JR., ALLAN H. SPEAR and SAM G. SOLON.

House Conferees: BILL PETERSON, WILLIAM SCHREIBER and JAMES C. PEHLER.

Peterson, B., moved that the report of the Conference Committee on S. F. No. 572 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 572, A bill for an act relating to the city of Bloomington; authorizing additional on-sale liquor licenses.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 78 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Adams	Ellingson	Knickerbocker	Olsen	Sieben, H.
Anderson, I.	Evans	Kvam	Patton	Sieben, M.
Anderson, R.	Ewald	Laidig	Pehler	Simoneau
Battaglia	Forsythe	Lehto	Peterson, B.	Stadum
Begich	Fudro	Levi	Piepho	Stowell
Berglin	Greenfield	Luknic	Pleasant	Sviggum
Berkelman	Halberg	McEachern	Prahl	Swanson
Biersdorf	Haukoos	Mehrkens	Redalen	Valan
Blatz	Heap	Metzen	Reding	Valento
Carlson, D.	Heinitz	Minne	Rees	Weaver
Carlson, L.	Hoberg	Moe	Reif	Wenzel
Crandall	Jacobs	Munger	Rose	Wieser
Dean	Jaros	Nelsen, B.	Rothenberg	Zubay
Dempsey	Jennings	Nelsen, M.	Sarna	Spkr. Norton
Drew	Johnson, D.	Niehaus	Schreiber	
Elioff	Jude	Nysether	Searle	

Those who voted in the negative were:

Aasness	Den Ouden	Kelly	Norman	Thiede
Ainley	Eken	Kempe	Novak	Tomlinson
Anderson, B.	Erickson	Kostohryz	Onnen	Vanasek
Anderson, G.	Esau	Kroening	Osthoff	Voss
Brinkman	Faricy	Long	Otis	Waldorf
Byrne	Fjoslien	Mann	Peterson, D.	Welch
Casserly	Fritz	McCarron	Rice	Wigley
Clark	Johnson, C.	McDonald	Rodriguez	Wynia
Clawson	Kahn	Murphy	Sherwood	
Corbid	Kalis	Nelson	Stoa	

The bill was repassed, as amended by Conference, and its title agreed to.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 797:

Clawson, Byrne, and Levi.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2268:

Ellingson, Adams, and Blatz.

SPECIAL ORDERS

There being no objection, the bills on Special Orders for today were continued.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, April 10, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Thursday, April 10, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-SEVENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 10, 1980

The House of Representatives convened at 11:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Elioff	Kalis	Norman	Sieben, H.
Adams	Ellingson	Kelly	Novak	Sieben, M.
Ainley	Erickson	Kempe	Nysether	Simoneau
Albrecht	Esau	Knickerbocker	Olsen	Stadum
Anderson, B.	Evans	Kostohryz	Onnen	Stoa
Anderson, D.	Ewald	Kroening	Osthoff	Stowell
Anderson, G.	Faricy	Kvam	Otis	Sviggum
Anderson, I.	Fjoslien	Laidig	Patton	Swanson
Anderson, R.	Forsythe	Lehto	Pehler	Thiede
Battaglia	Friedrich	Levi	Peterson, B.	Tomlinson
Begich	Fritz	Long	Peterson, D.	Valan
Berglin	Fudro	Ludeman	Piepho	Valento
Berkelman	Greenfield	Luknic	Pleasant	Vanasek
Biersdorf	Halberg	Mann	Prahl	Voss
Blatz	Haukoos	McCarron	Redalen	Waldorf
Byrne	Heap	McDonald	Reding	Weaver
Carlson, L.	Heinitz	McEachern	Rees	Welch
Casserly	Hoberg	Mehrkens	Reif	Welker
Clark	Hokanson	Metzen	Rice	Wenzel
Clawson	Jacobs	Minne	Rodriguez	Wieser
Corbid	Jaros	Moe	Rose	Wigley
Crandall	Jennings	Munger	Rothenberg	Wynia
Dean	Johnson, C.	Murphy	Sarna	Zubay
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	Sprk. Norton
Den Ouden	Jude	Nelsen, M.	Searle	
Drew	Kahn	Nelson	Searles	
Eken	Kaley	Niehaus	Sherwood	

A quorum was present.

Brinkman and Carlson, D., were excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. No. 121 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 7, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1742, relating to highway traffic regulations; authorizing pickup trucks used for certain purposes to draw two trailers under certain circumstances and within limited areas;

H. F. No. 1884, relating to education; modifying certain rule making procedures and the tuition exemption authority of the state university board; allowing a change in the placement service registration fee at state universities; eliminating a reporting duty of state university presidents; eliminating a provision governing state university rules which conflict with the provisions of certain collective bargaining contracts.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 8, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
1054		526	April 8	April 8

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Swanson introduced:

H. F. No. 2497, A bill for an act relating to taxation; real property; clarifying the powers of the assessor to require proof for homestead classification; amending Minnesota Statutes 1978, Section 273.13, Subdivision 11.

The bill was read for the first time and referred to the Committee on Taxes.

Anderson, R.; McCarron; Rice; Wynia and Aasness introduced:

H. F. No. 2498, A bill for an act relating to the environment; authorizing state waste management bonds for a solid waste demonstration program in Fergus Falls; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Evans; Anderson, R.; Vanasek and Johnson, C., introduced:

H. F. No. 2499, A bill for an act relating to taxation; income tax; altering the treatment of capital gains for individuals; providing graduated corporate rates; providing a deduction for corporations for the amount of the federal investment credit; abolishing the minimum tax on tax preference income; amending Minnesota Statutes 1978, Sections 290.06, Subdivision 1; 290.09, by adding a subdivision; 290.361, Subdivision 2; Minnesota Statutes, 1979 Supplement, Section 290.01, Subdivision 20; and repealing Minnesota Statutes, 1979 Supplement, Section 290.091.

The bill was read for the first time and referred to the Committee on Taxes.

McDonald, Rees, Redalen and Den Ouden introduced:

H. F. No. 2500, A resolution concerning amending the Constitution of the United States; memorializing Congress to propose an amendment to the United States Constitution to require a balanced federal budget.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, McDonald moved that the rule therein be suspended and an urgency be declared so that H. F. No. 2500 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

Anderson, R., was excused while in conference committee.

CALL OF THE HOUSE

On the motion of McDonald and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Carlson, L.	Esau	Heinitz	Kelly
Adams	Clark	Evans	Hoberg	Kostohryz
Ainley	Clawson	Ewald	Hokanson	Kroening
Albrecht	Corbid	Farcy	Jacobs	Kvam
Anderson, G.	Crandall	Fjoslien	Jaros	Laidig
Anderson, I.	Dempsey	Forsythe	Jennings	Long
Battaglia	Den Ouden	Fritz	Johnson, D.	Ludeman
Begich	Drew	Fudro	Jude	Luknic
Berkelman	Eken	Halberg	Kahn	Mann
Biersdorf	Ellingson	Haukoos	Kaley	McDonald
Byrne	Erickson	Heap	Kalis	McEachern

Mehrkens	Novak	Prahl	Searles	Valento
Metzen	Nysether	Redalen	Sherwood	Vanasek
Minne	Olsen	Reding	Sieben, H.	Waldorf
Moe	Onnen	Rees	Simoneau	Weaver
Munger	Osthoff	Reif	Stadum	Welch
Murphy	Otis	Rodriguez	Stowell	Welker
Nelsen, B.	Patton	Rose	Sviggum	Wenzel
Nelsen, M.	Pehler	Rothenberg	Swanson	Wieser
Nelson	Peterson, B.	Sarna	Thiede	Wigley
Niehaus	Piepho	Schreiber	Tomlinson	Spkr. Norton
Norman	Pleasant	Searle	Valan	

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

POINT OF ORDER

Sieben, H., raised a point of order pursuant to rule 1.3 that the McDonald motion was not in order. The Speaker ruled the point of order not well taken and the McDonald motion in order.

Rice moved that H. F. No. 2500 be returned to its author.

A roll call was requested and properly seconded.

POINT OF ORDER

Halberg raised a point of order that the Rice motion was not a higher motion than the McDonald motion. The Speaker ruled the point of order not well taken and the Rice motion in order.

Faricy moved that the McDonald and Rice motions be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Faricy motion to lay on the table and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion did not prevail.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 67 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Adams	Anderson, I.	Berglin	Casserly	Corbid
Anderson, B.	Battaglia	Byrne	Clark	Eken
Anderson, G.	Begich	Carlson, L.	Clawson	Elioff

Ellingson	Kaley	Moe	Prahl	Swanson
Evans	Kalis	Munger	Reding	Tomlinson
Faricy	Kelly	Murphy	Rice	Vanasek
Friedrich	Kostohryz	Nelsen, M.	Rodriguez	Waldorf
Fudro	Kroening	Nelson	Rose	Welch
Greenfield	Lehto	Novak	Sarna	Wynia
Hokanson	Long	Osthoff	Schreiber	Zubay
Jaros	Mann	Otis	Sieben, H.	Spkr. Norton
Johnson, C.	McEachern	Patton	Sieben, M.	
Jude	Metzen	Pehler	Simoneau	
Kahn	Minne	Peterson, D.	Stoa	

Those who voted in the negative were:

Aasness	Esau	Kempe	Nysether	Sherwood
Ainley	Ewald	Knickerbocker	Olsen	Stadum
Albrecht	Fjoslien	Kvam	Onnen	Stowell
Berkelman	Forsythe	Laidig	Peterson, B.	Swiggum
Biersdorf	Fritz	Levi	Piepho	Thiede
Blatz	Halberg	Ludeman	Pleasant	Valan
Crandall	Haukoos	Luknic	Redalen	Valento
Dean	Heap	McDonald	Rees	Weaver
Dempsey	Heinitz	Mehrkens	Reif	Welker
Den Ouden	Hoberg	Nelsen, B.	Rothenberg	Wenzel
Drew	Jennings	Niehaus	Searle	Wieser
Erickson	Johnson, D.	Norman	Searles	Wigley

The Faricy motion prevailed.

H. F. No. 2500 was referred to the Committee on Appropriations.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2429

A bill for an act relating to usury; changing the penalty for usurious loans made by state banks and savings banks; amending Minnesota Statutes 1978, Sections 334.02; 334.03; and Chapter 48, by adding a section.

April 9, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2429, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendments and that H. F. No. 2429 be further amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Laws 1980, Chapter 522, Section 1, is amended to read:

48.153 [INSTALLMENT LOANS; FINANCE CHARGES: MINIMUM CHARGES.] Subdivision 1. A bank organized under the laws of this state, or a national banking association doing business in this state making a loan of money not exceeding \$35,000 repayable in installments, may charge upon the unpaid principal balance of the financed amount a rate of interest not in excess of 12 percent a year. A loan made prior to June 30, 1982, at a greater rate than permitted by this subdivision may continue to bear the greater rate of interest if that greater rate was lawful when the loan was made.

Subd. 1a. (a) Notwithstanding subdivision 1, a bank organized under the laws of this state, or a national banking association doing business in this state, making a loan of money not exceeding \$35,000 repayable in installments, may charge, at the time the loan is made, a rate of interest upon the unpaid principal balance of the amount financed of 12 percent a year, or the rate of interest authorized by section 334.011, whichever is greater. If the rate of interest charged is permitted by section 334.011 at the time the loan is made, the rate does not later become usurious because of a fluctuation in the federal discount rate.

(b) This subdivision supersedes subdivision 1 from its effective date until June 30, 1982.

Subd. 2. Installment payments on loans made pursuant to this section by a bank or national banking association shall not extend beyond a period of 12 years and 32 days from the date of the loan. The loan may be secured by a mortgage, pledge, or other collateral.

Subd. 3. A savings bank organized pursuant to chapter 50, *a savings association or savings and loan association subject to the provisions of sections 51A.01 to 51A.57, or a savings and loan association chartered under the laws the United States*, that has its principal place of business in this state, may make a loan for consumer purposes to a natural person in an amount not exceeding \$25,000 repayable in installments, and may charge upon the unpaid principal balance of the financed amount a rate of interest not in excess of 12 percent a year. A loan made prior to June 30, 1982, at a greater rate than permitted by this subdivision may continue to bear the greater rate of interest if that greater rate was lawful when the loan was made.

Subd. 3a. (a) Notwithstanding subdivision 3, a savings bank organized pursuant to chapter 50, *a savings association or savings and loan association subject to the provisions of sections 51A.01 to 51A.57, or a savings and loan association chartered under the laws of the United States*, that has its principal place

of business in this state, may make a loan for consumer purposes to a natural person in an amount not exceeding \$25,000 repayable in installments, and may charge a rate of interest upon the unpaid principal balance of the amount financed of 12 percent a year, or the rate of interest authorized by section 334.011, whichever is greater. If the rate of interest charged is permitted by section 334.011 at the time the loan is made, the rate does not later become usurious because of a fluctuation in the federal discount rate.

(b) This subdivision supersedes subdivision 3 from its effective date until June 30, 1982.

Subd. 4. Installment payments on loans made pursuant to this section by a savings bank, a *savings association* or *savings and loan association* subject to the provisions of sections 51A.01 to 51A.57, or a *savings and loan association chartered under the laws of the United States* shall not extend beyond a period of (FIVE) 12 years and 32 days from the date of the loan. The loan may be secured by a mortgage, pledge, or other collateral.

Subd. 5. Charges in reference to installment loans under this section shall be computed and collected only on the unpaid principal balance of the amount financed actually outstanding. One day's finance charge means an amount equal to $1/365$ of the per annum rate provided for in an installment loan. If the total finance charge determined on an installment loan, single payment or demand loan shall be less than \$10 the amount charged may nevertheless be \$10. No loan shall be made pursuant to this section if over 50 percent of the proceeds of the loan are used to finance the purchase of a borrower's primary residence other than a mobile home.

Sec. 2. Minnesota Statutes 1978, Chapter 48, is amended by adding a section to read:

[48.195] [PENALTY FOR USURIOUS INTEREST CHARGED BY BANKS AND SAVINGS BANKS.] *The taking, receiving, reserving or charging by a lender of a rate of interest greater than is allowed by state law shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. In case the greater rate of interest has been paid, the person paying it, or his legal representatives, may recover, in an action in the nature of an action of debt, twice the amount of the interest thus paid from the lender taking or receiving the interest, if the action is commenced within two years from the time the usurious transaction occurred. For purposes of this section, the term "lender" means a bank or savings bank organized under the laws of this state, a federally chartered savings and loan association, a savings association organized under chapter 51A, a federally chartered credit union, a credit union organized under chapter 52, or a mortgagee or lender ap-*

proved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs.

Sec. 3. Minnesota Statutes 1978, Section 334.02, is amended to read:

334.02 [USURIOUS INTEREST; RECOVERY.] Every person who for any such loan or forbearance shall have paid or delivered any greater sum or value than in section 334.01 allowed to be received may, by himself or his personal representatives, recover in an action against the person who shall have received the same, or his personal representatives, the full amount of interest or premium so paid, with costs, if action is brought within two years after such payment or delivery. *This section does not apply when the loan or forbearance is made by a lender and the lender is liable for the penalty provided in section 2 in connection with the loan or forbearance. For purposes of this section, the term "lender" means a bank or savings bank organized under the laws of this state, a federally chartered savings and loan association, a savings association organized under chapter 51A, a federally chartered credit union, a credit union organized under chapter 52, or a mortgagee or lender approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs.*

Sec. 4. Minnesota Statutes 1978, Section 334.03, is amended to read:

334.03 [USURIOUS CONTRACTS INVALID; EXCEPTIONS.] All bonds, bills, notes, mortgages, and all other contracts and securities, and all deposits of goods, or any other thing, whereupon or whereby there shall be reserved, secured, or taken any greater sum or value for the loan or forbearance of any money, goods, or things in action than prescribed, except such instruments which are taken or received in accordance with and in reliance upon the provisions of any statute, shall be void except as to a holder in due course. No merely clerical error in the computation of interest, made without intent to avoid the provisions of this chapter, shall constitute usury. Interest at the rate of one-twelfth of eight percent for every 30 days shall not be construed to exceed eight percent per annum; nor shall the payment of interest in advance of one year, or any less time, at a rate not exceeding eight percent per annum constitute usury; and nothing herein shall prevent the purchase of negotiable mercantile paper, usurious or otherwise, for a valuable consideration, by a purchaser without notice, at any price before the maturity of the same, when there has been no intent to evade the provisions of this chapter, or where such purchase has not been a part of the original usurious transactions; but where the original holder of a usurious note sells the same to an innocent purchaser, the maker thereof, or his representatives, may recover back from the original holder the amount of principal and

interest paid by him on the note. *This section does not apply when the loan or forbearance is made by a lender and the lender is liable for the penalty provided in section 2 in connection with the loan or forbearance. For purposes of this section, the term "lender" means a bank or savings bank organized under the laws of this state, a federally chartered savings and loan association, a savings association organized under chapter 51A, a federally chartered credit union, a credit union organized under chapter 52, or a mortgagee or lender approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs.*

Sec. 5. [EFFECTIVE DATE.] *Sections 1 to 4 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to financial institutions; granting certain lending powers to savings associations and savings and loan associations; providing for interest rates on certain installment loans; changing the penalty for usurious loans made by banks, savings banks, savings associations, credit unions and certain other lenders; amending Laws 1980, Chapter 522, Section 1; Minnesota Statutes 1978, Sections 334.02; 334.03; and Chapter 48, by adding a section."

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

House Conferees: JOHN R. CORBID and RANDY C. KELLY.

Senate Conferees: SAM G. SOLON, OTTO T. BANG, JR. and GERRY SIKORSKI.

Corbid moved that the report of the Conference Committee on H. F. No. 2429 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2429, A bill for an act relating to usury; changing the penalty for usurious loans made by state banks and savings banks; amending Minnesota Statutes 1978, Sections 334.02; 334.03; and Chapter 48, by adding a section.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 94 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Osthoff	Stadum
Adams	Forsythe	Laidig	Otis	Stoa
Ainley	Friedrich	Lehto	Patton	Stowell
Albrecht	Halberg	Long	Pehler	Sviggun
Anderson, B.	Haukoos	Ludeman	Peterson, B.	Swanson
Berkelman	Heap	Luknic	Piepho	Thiede
Biersdorf	Heinitz	Mann	Pleasant	Tomlinson
Blatz	Hoberg	McDonald	Prahl	Valan
Byrne	Jacobs	McEachern	Redalen	Valento
Casserly	Jaros	Mehrkens	Reding	Voss
Clark	Jennings	Metzen	Rees	Waldorf
Corbid	Johnson, C.	Munger	Reif	Weaver
Crandall	Johnson, D.	Nelsen, B.	Rothenberg	Welker
Dean	Jude	Nelson	Sarna	Wenzel
Dempsey	Kahn	Niehaus	Schreiber	Wieser
Den Ouden	Kaley	Norman	Searles	Wigley
Drew	Kalis	Nysether	Sherwood	Zubay
Evans	Knickerbocker	Olsen	Sieben, H.	Spkr. Norton
Ewald	Kostohryz	Onnen	Simoneau	

Those who voted in the negative were:

Battaglia	Ellingson	Hokanson	Murphy	Welch
Begich	Erickson	Kelly	Novak	Wynia
Berglin	Esau	Kempe	Peterson, D.	
Carlson, L.	Faricy	Kroening	Rice	
Clawson	Fritz	Minne	Rodriguez	
Elioff	Greenfield	Moe	Rose	

The bill was repassed, as amended by Conference, and its title agreed to.

CALL OF THE HOUSE LIFTED

Knickerbocker moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1731

A bill for an act relating to labor; regulating certain steam engines and boilers and steam engine and boiler operators; amending Minnesota Statutes 1978, Chapter 183, by adding a section.

April 9, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1731, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment, and that H. F. No. 1731 be further amended as follows:

Page 1, delete lines 15 to 18 and insert:

"Subd. 2. When used only for display and demonstration purposes, steam farm traction engines and stationary show boilers shall be inspected every two years according to law."

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

House Conferees: JOSEPH T. NIEHAUS and RAY O. PLEASANT.

Senate Conferees: FLORIAN CHMIELEWSKI, CONRAD M. VEGA and GEORGE S. PILLSBURY.

Niehaus moved that the report of the Conference Committee on H. F. No. 1731 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1731, A bill for an act relating to labor; regulating certain steam engines and boilers and steam engine and boiler operators; amending Minnesota Statutes 1978, Chapter 183, by adding a section.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kaley	Niehaus	Searles
Adams	Erickson	Kalis	Norman	Sherwood
Ainley	Esau	Kelly	Novak	Sieben, H.
Albrecht	Evans	Kempe	Nysether	Sieben, M.
Anderson, B.	Ewald	Knickerbocker	Olsen	Simoneau
Anderson, G.	Faricy	Kostohryz	Onnen	Stadum
Anderson, I.	Fjoslien	Kroening	Osthoff	Stoa
Battaglia	Forsythe	Kvam	Otis	Stowell
Begich	Friedrich	Laidig	Patton	Sviggum
Berglin	Fritz	Levi	Pehler	Swanson
Biersdorf	Fudro	Long	Peterson, B.	Thiede
Blatz	Greenfield	Ludeman	Peterson, D.	Tomlinson
Byrne	Halberg	Mann	Piepho	Valan
Carlson, L.	Haukoos	McCarron	Pleasant	Valento
Casserly	Heap	McDonald	Prahl	Vanasek
Clark	Heinitz	McEachern	Redalen	Waldorf
Clawson	Hoberg	Mehrkens	Reding	Weaver
Corbid	Hokanson	Metzen	Rees	Welch
Crandall	Jacobs	Minne	Reif	Welker
Dean	Jaros	Moe	Rice	Wenzel
Dempsey	Jennings	Munger	Rodriguez	Wieser
Den Ouden	Johnson, C.	Murphy	Rose	Wigley
Drew	Johnson, D.	Nelsen, B.	Rothenberg	Wynia
Eken	Jude	Nelsen, M.	Sarna	Zubay
Elioff	Kahn	Nelson	Schreiber	Spkr. Norton

Those who voted in the negative were:

Lehto

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1816

A bill for an act relating to local correctional facilities; updating provisions concerning county jails, city lockups and workhouses; clarifying provisions penalizing the possession of contraband in local correctional facilities; repealing provisions concerning correctional or work farms; providing for establishing and organizing court administrative structure; budgeting and operation of court services, probation, juvenile detention and correctional facilities by counties; amending Minnesota Statutes 1978, Sections 401.02, Subdivision 3; 641.01; 641.04; 641.06; 641.14; 641.15; 641.16; 641.165, Subdivision 2; 641.18; 641.21; 641.22; 642.02, Subdivision 2; 642.03; 642.07; 642.12; 643.01; 643.02; and 643.29; repealing Laws 1925, Chapter 12; Laws 1927, Chapter 142; Minnesota Statutes 1945, Sections 643.21; 643.22; 643.23; 643.24; 643.25; 643.26; 643.27; 643.28; and Minnesota Statutes 1978, Sections 641.17; 641.27; 641.28; 641.29; 641.30; 641.31; 641.32; 641.33; 641.34; 641.35; 641.36; 641.37; 641.38; 642.14; 643.03; 643.04; 643.05; 643.06; 643.07; 643.08; 643.09; 643.10; 643.11; 643.12; 643.13; 643.14; 643.15; 643.16; 643.17; 643.19; and 643.20.

April 9, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1816, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendments and that H. F. No. 1816 be further amended as follows:

Pages 1 and 2, delete section 1

Page 11, after line 31, insert:

"Sec. 18. [TEMPORARY PROVISION.] *The commissioner of corrections shall amend 11 MCAR Section 2.111 (G)(1.) by striking the word "Health" and insert the word "Corrections."*

Notwithstanding sections 15.0411 to 15.052, the amendment shall be effective on the date of its publication in the State Register."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete “; providing”

Page 1, delete lines 8 to 10

Page 1, line 11, delete everything before the semi-colon

Page 1, lines 12 and 13, delete “401.02, Subdivision 3;”

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

House Conferees: JOHN T. CLAWSON, GARY W. LAIDIG and DONALD M. MOE.

Senate Conferees: SAM G. SOLON, TOM A. NELSON and CONRAD M. VEGA.

Clawson moved that the report of the Conference Committee on H. F. No. 1816 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1816, A bill for an act relating to local correctional facilities; updating provisions concerning county jails, city lock-ups and workhouses; clarifying provisions penalizing the possession of contraband in local correctional facilities; repealing provisions concerning correctional or work farms; providing for establishing and organizing court administrative structure; budgeting and operation of court services, probation, juvenile detention and correctional facilities by counties; amending Minnesota Statutes 1978, Sections 401.02, Subdivision 3; 641.01; 641.04; 641.06; 641.14; 641.15; 641.16; 641.165, Subdivision 2; 641.18; 641.21; 641.22; 642.02, Subdivision 2; 642.08; 642.07; 642.12; 643.01; 643.02; and 643.29; repealing Laws 1925, Chapter 12; Laws 1927, Chapter 142; Minnesota Statutes 1945, Sections 643.21; 643.22; 643.23; 643.24; 643.25; 643.26; 643.27; 643.28; and Minnesota Statutes 1978, Sections 641.17; 641.27; 641.28; 641.29; 641.30; 641.31; 641.32; 641.33; 641.34; 641.35; 641.36; 641.37; 641.38; 642.14; 643.03; 643.04; 643.05; 643.06; 643.07; 643.08; 643.09; 643.10; 643.11; 643.12; 643.13; 643.14; 643.15; 643.16; 643.17; 643.19; and 643.20.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Nelsen, M.	Sarna
Adams	Ellingson	Kalis	Nelson	Schreiber
Ainley	Erickson	Kelly	Niehaus	Searles
Albrecht	Esau	Kempe	Norman	Sherwood
Anderson, B.	Evans	Knickerbocker	Novak	Sieben, H.
Anderson, G.	Ewald	Kostohryz	Nysether	Sieben, M.
Anderson, I.	Faricy	Kroening	Olsen	Simoneau
Battaglia	Fjoslien	Kvam	Onnen	Stadum
Begich	Forsythe	Laidig	Osthoff	Stoa
Berglin	Friedrich	Lehto	Otis	Sviggum
Berkelman	Fritz	Levi	Patton	Swanson
Biersdorf	Fudro	Long	Pehler	Thiede
Blatz	Greenfield	Ludeman	Peterson, B.	Tomlinson
Byrne	Haukoos	Luknic	Peterson, D.	Valan
Carlson, L.	Heap	Mann	Piepho	Valento
Cassery	Heinitz	McCarron	Pleasant	Vanasek
Clark	Hoberg	McDonald	Pralh	Waldorf
Clawson	Hokanson	McEachern	Redalen	Weaver
Corbid	Jacobs	Mehrkens	Reding	Welch
Crandall	Jaros	Metzen	Rees	Welker
Dean	Jennings	Minne	Reif	Wenzel
Dempsey	Johnson, C.	Moe	Rice	Wigley
Den Ouden	Johnson, D.	Munger	Rodriguez	Wynia
Drew	Jude	Murphy	Rose	Zubay
Eken	Kahn	Nelsen, B.	Rothenberg	Spkr. Norton

Those who voted in the negative were:

Stowell Wieser

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1781

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 school districts, the commissioner of education, the department of education and others; aid for education of pupils of limited English proficiency; requiring the establishment of local policies to minimize chemical use problems; appropriating money; amending Minnesota Statutes 1978, Sections 120.095, Subdivision 6; 120.10, Subdivision 2; 121.88, by adding a subdivision; 122.22, Subdivisions 2 and 4; 122.23, Subdivisions 9 and 10; 122.25, Subdivision 1; 122.531, by adding subdivisions; 123.11, Subdivision 7; 123.36, by adding a subdivision; 123.39, Subdivision 3; 123.932, Subdivision 9, and by adding a subdivision; 124.20; 124.214, Subdivision 2; 124.572, Subdivision 7; 126.07; 126.36, Subdivision 3; 126.52, Subdivision 5, and by adding a subdivision; 126.54, Subdivisions 5 and 6; 127.09; 127.11; 127.21; 134.03; 134.08; 275.125, Subdivisions 5 and 5a; 354.05, Subdivision 2; Chapter 124, by adding a section; Chapter 125, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 120.075, Subdivision 4, and by adding a subdivision; 121.912, Subdivision 1; 122.541, Subdivision 5; 123.35, Subdivision 15; 124.01; 124.11, Subdivisions 2a and 2b, and by

adding a subdivision; 124.19, Subdivision 4; 124.212, Subdivision 7d; 124.223; 124.225; 124.245, Subdivisions 1 and 2; 124.247, Subdivisions 3 and 4; 126.54, Subdivision 1; 124.561, Subdivision 3a; 124.562, Subdivisions 2, 3 and 4; 124.5621, Subdivision 11; 124.5624, Subdivision 6; 124.5625; 124.565, Subdivision 6; 124.566; 124.572, Subdivision 2; 275.125, Subdivisions 2a, 2b, 7a, 7b, 11a and 20; 353.01, Subdivision 2b; 354A.011, Subdivision 27; 465.72; Laws 1979, Chapter 69, Sections 2 and 5; Chapter 334, Article VI, Section 35, Subdivision 9; Article VIII, Section 29; repealing Minnesota Statutes 1978, Sections 122.531, Subdivision 3; 125.61, as amended; 126.31 to 126.35; 126.36, Subdivisions 5 and 6; 126.37; 126.38; 126.39, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8 and 9; 126.40, Subdivisions 1 and 2; 126.41, Subdivisions 2, 3, 4, 5, 6 and 7; 126.42; 126.52, Subdivisions 1, 2, 3, 4, 6 and 7; 127.22; Minnesota Statutes, 1979 Supplement, Sections 124.222, Subdivision 3; 126.39, Subdivision 10; 126.41, Subdivision 1; 126.52, Subdivision 10; Laws 1979, Chapter 334, Article V, Section 29.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1781, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendment and that H. F. No. 1781 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

FOUNDATION AID

Section 1. Minnesota Statutes 1978, Section 122.531, is amended by adding a subdivision to read:

Subd. 3a. (1) For purposes of computing the levy limitation under section 275.125, subdivision 6b, and the foundation aid under section 124.212, of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more existing districts, the amounts specified in this subdivision shall be used in lieu of the amounts specified in the designated clauses of section 275.125, subdivision 6b and section 124.212.

(2) In lieu of the amount specified in section 275.125, subdivision 6b, clause (2), part (b), subpart (i); section 124.212,

subdivision 7c, clause (3), part (a); and section 124.212, subdivision 7d, clause (3), part (a), subpart (i), there shall be used the sum of the amounts derived by performing the following multiplication for each component district:

(a) the product in section 275.125, subdivision 6b, clause (1), part (b), computed for the component district, times

(b) the quotient obtained by dividing the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), from that component district who are enrolled in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective, by the total number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the component district in the year preceding the year when the consolidation or dissolution and attachment becomes effective.

(3) In lieu of the quotient used in the computation in section 275.125, subdivision 6b, clause (2), part (b), subpart (ii), and in section 124.212, subdivision 7d, clause (3), part (a), subpart (ii), there shall be used the quotient obtained by dividing:

(a) the sum derived in clause (2) of this subdivision, by

(b) the sum of the amounts derived by performing the following computation for each component district:

(i) the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the component district in 1979-1980, times

(ii) the quotient derived for that component district in clause (2), part (b) of this subdivision.

Sec. 2. Minnesota Statutes 1978, Section 122.531, is amended by adding a subdivision to read:

Subd. 5. (1) For purposes of computing the levy limitation under section 275.125, subdivision 6c, of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more other districts, there shall be used in lieu of the amount specified in section 275.125, subdivision 6c, clause (1), part (a)(i)(A), the quotient obtained by dividing:

(a) the sum of the amounts derived by performing the following multiplication for each component district:

(i) the quotient in section 275.125, subdivision 6c, clause (1), part (a)(i)(A), computed for the component district for purposes of 1979 payable 1980 levy limitations, times

(ii) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), from that component district who are enrolled in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective; by

(b) the total number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective.

(2) For purposes of computing the district's foundation aid pursuant to section 124.212, in lieu of the amount derived in section 124.212, subdivision 7c, clause (4), part (a), there shall be used the sum derived in clause (1), part (a) of this subdivision.

Sec. 3. Minnesota Statutes 1978, Section 122.531, is amended by adding a subdivision to read:

Subd. 6. (1) For purposes of computing foundation aid under section 124.212, subdivision 7c, clauses (3) and (4), or section 124.212, subdivision 7d, clauses (3) and (4), of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more other districts, in the year when the consolidation or dissolution and attachment becomes effective, there shall be used in lieu of the ratio of the district's actual levy to its permitted levy in 1979 payable 1980 or 1980 payable 1981, as applicable, pursuant to section 275.125, subdivision 6b or 6c, as applicable, the quotient obtained by dividing:

(a) the sum of the products derived for each component district by multiplying the component district's actual levy in the applicable year pursuant to the applicable subdivision, times the ratio of the amount of the adjusted assessed valuation of the property from the component district which is included in the new district to the total amount of the adjusted assessed valuation of the new district; by

(b) the sum of the products derived for each component district by multiplying the component district's permitted levy in the applicable year pursuant to the applicable subdivision, times the ratio of the amount of the adjusted assessed valuation of the property from the component district which is included in the new district to the total amount of the adjusted assessed valuation of the new district.

Sec. 4. Minnesota Statutes 1978, Section 122.531, is amended by adding a subdivision to read:

Subd. 7. For purposes of computing foundation aid under section 124.212, subdivision 7c, clause (5) or section 124.212,

subdivision 7d, clause (5), of a district newly created through consolidation or through the dissolution of a district and its attachment to one or more other districts, in the year when the consolidation or dissolution and attachment becomes effective, there shall be used in lieu of the mill rate levied by the district on its adjusted assessed valuation in 1979 payable 1980 or 1980 payable 1981, as applicable, pursuant to section 275.125, subdivision 7a, the sum of the amounts derived by performing the following multiplication for each component district:

(a) the mill rate levied by the component district on its adjusted assessed valuation in 1979 payable 1980 or 1980 payable 1981, as applicable, pursuant to section 275.125, subdivision 7a; times

(b) the ratio of the amount of the adjusted assessed valuation of the property from the component district which is included in the new district to the total amount of the adjusted assessed valuation of the new district.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 124.19, Subdivision 4, is amended to read:

Subd. 4. In (AN ELEMENTARY) a school where the number of instructional hours in the school day is greater than the number of instructional hours prescribed in the rules of the state board for the school day, the excess number of instructional hours for those days may be included in calculating the required number of days school is in session for purposes of fulfilling the requirements of subdivision 1, provided that the school is in session for not less than 160 days during the school year, and provided that no instructional hours are included from half-day sessions or any school day which has less instructional hours than the number of instructional hours prescribed in the rules of the state board.

Sec. 6. Minnesota Statutes 1978, Section 124.20, is amended to read:

124.20 [EDUCATION; STATE AID; SUMMER SCHOOL AND FLEXIBLE SCHOOL YEAR CLASSES.] Foundation aid for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, (3) summer school classes in elementary and secondary schools, and (4) summer school instruction in teachers college laboratory schools or in the university laboratory school, shall be paid at a proportionate rate for foundation aids paid for the preceding regular school year; provided that no district shall receive aid for programs under this section in an amount greater than its actual expenditures for these programs; provided further, that for purposes of computing summer school foundation aid through 1980, a district's foundation aid for the

regular school year shall be reduced by the amount of the agricultural tax credit included in that foundation aid; *provided further, that for purposes of computing summer school foundation aid starting in 1981, foundation aid for the regular school year shall be reduced by amounts of foundation aid computed pursuant to section 124.212, subdivision 7c, clauses (2), (3), (4) and (5), and section 124.212, subdivision 7d, clauses (2), (3), (4) and (5), or their successor provisions.*

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 124.212, Subdivision 7d, is amended to read:

Subd. 7d. For the 1981-1982 school year a district shall receive in foundation aid:

(1) \$1,354 per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), less 21 mills times the 1979 adjusted assessed valuation of the district; plus

(2) the amount of the agricultural tax credit by which 1980 payable 1981 property taxes in the district are reduced pursuant to section 273.132; plus

(3) an amount equal to the product obtained by multiplying the ratio of the district's actual levy to its permitted levy in 1980 payable 1981 pursuant to section 275.125, subdivision 6b, times the difference between

(a) the greater of

(i) the amount derived in subdivision 7c, clause (3), part (a), or

(ii) the product obtained by multiplying the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), in the district in 1980-1981, times the quotient obtained by dividing the amount derived in subdivision 7c, clause (3), part (a), by the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the district in 1979-1980, and

(b) the product obtained by multiplying the amount derived in part (a) of this clause times the lesser of

(i) one or

(ii) the ratio of the district's 1979 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1980-1981, to the state average 1979 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the state in 1980-1981; plus

(4) an amount equal to the ratio of the district's actual levy to its permitted levy in 1980 payable 1981 pursuant to section 275.125, subdivision 6c, times the difference between

(a) the product obtained by multiplying

(i) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1981-1982 times

(ii) 107 percent of the quotient obtained by dividing the amount derived in subdivision 7c, clause (4), part (a), by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1980-1981; and

(b) the product obtained by multiplying the ratio of the amount derived in part (a) (ii) of this clause to \$64,476, times the district's 1979 adjusted assessed valuation; plus

(5) an amount equal to the difference between

(a) the product obtained by multiplying the mill rate levied by the district on its adjusted assessed valuation in 1980 payable 1981 pursuant to section 275.125, subdivision 7a, times \$64,476, times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in 1980-1981; and

(b) the product obtained by multiplying the mill rate levied by the district on its adjusted assessed valuation in 1980 payable 1981 pursuant to section 275.125, subdivision 7a, times the district's 1979 adjusted assessed valuation.

(6) No district where the assessed valuation of agricultural land identified in section 273.13, subdivisions 4, 6 and 6a, comprises 60 percent or more of the assessed valuation of the district shall receive an amount of foundation aid pursuant to clause (1) which is less than the following difference:

(a) (\$600) \$800 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), less

(b) the sum of

(i) the amount of the agricultural tax credit by which 1980 payable 1981 property taxes in the district are reduced pursuant to section 273.132, plus

(ii) the amount by which 1980 payable 1981 property taxes in the district are reduced pursuant to section 273.13, subdivisions 6, 7 and 14a, plus

(iii) the amount by which 1980 payable 1981 property taxes in the district are reduced pursuant to section 273.135, plus

(iv) the amount by which 1980 payable 1981 taxes in the district are reduced pursuant to section 273.138, subdivision 6.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 124.224, Subdivision 8, is amended to read:

Subd. 8. [EXPIRATION.] This section shall expire (JUNE 30, 1980) *with the final 1980 payment pursuant to subdivision 7.*

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In 1979, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 23 mills times the 1978 adjusted assessed valuation of the district.

(2) In 1980, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 21 mills times the 1979 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 1978, PAYABLE IN 1979,) the foundation aid to the district for the (1979-1980) school year (, AND FOR SUBSEQUENT LEVIES, FOUNDATION AID FOR SUBSEQUENT SCHOOL YEARS) *when the levy is recognized as revenue, calculated pursuant to section 124.212, subdivision 7c, clauses (1) and (6); or section 124.212, subdivision 7d, clauses (1) and (6); or their successor provisions, as applicable, shall be reduced to an amount equal to the ratio between the actual levy and the maximum levy allowable under clauses (1) and (2) times the foundation aid calculated pursuant to section 124.212, subdivision 7c, clauses (1) and (6); or section 124.212, subdivision 7d, clauses (1) and (6); or their successor provisions, as applicable, to which the district is otherwise entitled for that year. For purposes of computations pursuant to this clause, the maximum levy allowable and the actual levy under clauses (1) and (2) shall be increased 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 dis-

trict. 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. 10. Minnesota Statutes, 1979 Supplement, Section 275.-125, Subdivision 2b, is amended to read:

Subd. 2b. (1) (BEGINNING IN 1979,) In any year when the amount of the maximum levy allowed by subdivision 2a, clause (1) or (2), for any district with 950 or more pupil units under section 124.17, subdivision 1, clauses (1) and (2), exceeds the product of the district's foundation aid formula allowance under section 124.212 for the (CORRESPONDING) school year *in which the levy is recognized as revenue* times the estimated number of pupil units computed for that district under section 124.17, subdivision 1, clauses (1), (2), (4) and (5), for that school year, the levy permitted that district by subdivision 2a,

clause (1) or (2) shall be limited to the greater of the dollar amount of the levy the district certified in 1977 under subdivision 2a, clause (1) or (107 PERCENT OF) the sum of the following, but not to exceed the (AMOUNT RAISED BY THE NUMBER OF MILLS PERMITTED) *levy limitation* under subdivision 2a, clause (1) or (2):

(a) (i) the product of the district's foundation aid formula allowance under section 124.212 for the school year in which the levy is (CERTIFIED) *recognized as revenue*, times the *estimated* number of pupil units computed for that district under section 124.17, subdivision 1, clauses (1), (2), (4) and (5), for (THE) *that school year (IN WHICH THE LEVY IS CERTIFIED); (PLUS) less*

(ii) *the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124.212, subdivision 5a in the school year in which the levy is recognized as revenue; plus*

(b) 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) *recognized as revenue; plus*

(c) that district's *estimated* entitlement, for the year in which the levy is (CERTIFIED) *recognized as revenue*, for transportation aid pursuant to section 124.225, 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 AMOUNT TO WHICH THE DISTRICT WOULD ACTUALLY HAVE BEEN ENTITLED UNDER SECTIONS 124.20, 124.212, 124.225, 124.32, 124.573, AND 124.574, FOR THE YEAR TO WHICH THE LEVY IS ATTRIBUTABLE, THE DISTRICT MAY ADJUST ITS LEVIES IN THE SUCCEEDING YEARS TO MAKE UP THIS DIFFERENCE. THE AMOUNT BY WHICH THE DISTRICT ADJUSTS ANY LEVY IN THE SUCCEEDING YEARS PURSUANT TO THIS SECTION SHALL BE RECOGNIZED AS REVENUE IN THE SCHOOL YEAR WHEN THE LEVY WHICH IS SO ADJUSTED IS RECOGNIZED AS REVENUE.)

(3) IF A DISTRICT LEVIES PURSUANT TO CLAUSE (1) FOR SCHOOL YEAR AND THE AMOUNT LEVIED IS GREATER THAN THE AMOUNT TO WHICH THE DISTRICT WOULD ACTUALLY HAVE BEEN ENTITLED UNDER SECTIONS 124.20, 124.212, 124.225, 124.32, 124.573, AND 124.574, FOR THE YEAR TO WHICH THE LEVY IS ATTRIBUTABLE, THE DISTRICT SHALL REDUCE ITS LE-

VIES 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 AMOUNT RAISED BY THE MILLAGE LIMITATION IN SUBDIVISION 2A, CLAUSE (1) OR (2) FOR THAT YEAR, THE STATE SHALL PAY THE AMOUNT TO WHICH THE DISTRICT IS ENTITLED UNDER SECTIONS 124.20, 124.212, 124.225, 124.32, 124.573, AND 124.574, FOR THAT SCHOOL YEAR, WHICH EXCEEDS THE AMOUNT RAISED BY THAT MILLAGE LIMITATION.)

((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 SUBDIVISION 2A, CLAUSE (1) OR (2), THE STATE SHALL PAY THE AMOUNT UNDER SECTIONS 124.20, 124.212, 124.225, 124.32, 124.573, OR 124.574 TO WHICH THE DISTRICT IS ENTITLED FOR THAT SCHOOL YEAR WHICH EXCEEDS THE AMOUNT RAISED BY THAT MILLAGE LIMITATION.)

((6)) (2) 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 124.20, 124.212, 124.225, 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 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, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5), 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 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, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5), 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 124.20, 124.212, 124.225, 124.32, 124.573, AND 124.574 TO WHICH IT WOULD OTHERWISE HAVE BEEN ENTITLED IF ITS PERMITTED LEVY HAD NOT BEEN COMPUTED PURSUANT TO THIS SUBDIVISION.

((7)) (3) Any district which is required to compute its (PERMITTED LEVY) *levy limitation* under this subdivision shall not be eligible to receive *that amount of aid for the corresponding school year* under sections 124.20, (124.212,) 124.225, 124.32, 124.573, and 124.574 (FOR THE CORRESPONDING YEAR EXCEPT AS AUTHORIZED BY THIS SUBDIVISION) *for which it is eligible to levy pursuant to this subdivision and subdivision 20. Clause (1) and this clause shall apply to aids pursuant to these sections in the following order: (a) 124.20; (b) 124.225; (c) 124.32; (d) 124.573; (e) 124.574.*

((8)) (4) Nothing within the provisions of this subdivision shall be construed to affect any other levy under this section, including levies made pursuant to subdivision 2a, clause (4), to which a district is otherwise entitled.

((9)) (5) 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), for purposes of statutory cross-reference.

((10)) THE PROVISIONS OF CLAUSES (2) TO (9) SHALL GOVERN 1979-1980 AIDS, THE ADJUSTMENT OF LEVIES, AND STATUTORY CROSS-REFERENCES TO THE 1978 LEVY, FOR ANY DISTRICT WHICH LEVIED PURSUANT TO CLAUSE (1) IN 1978 AND WHICH IS NOT REQUIRED TO LEVY PURSUANT TO CLAUSE (1) IN 1979 OR SUBSEQUENT YEARS.)

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 7a, is amended to read:

Subd. 7a. (1) (IN 1979) *In 1980* each district which levies the maximum permissible amount pursuant to (SUBDIVISIONS 2A, CLAUSES (1), (2), AND (4),;) *subdivision 2a, clause (1) or (2) and subdivision 6b, (AND 6C,)* may levy an additional amount which shall not exceed the lesser of (a) an amount equal to (ONE-HALF) *one* mill times the district's (1978) 1979 adjusted assessed valuation or (b) the product obtained by multiplying (\$27.50) \$64.48 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the district in (1979-1980) *the 1980-1981 school year.*

(2) In (1980) 1981 and each year thereafter, each district which levies the maximum permissible amount pursuant to

(SUBDIVISIONS 2A, CLAUSES (1), (2) AND (4),) *subdivision 2a, clause (1) or (2) and subdivision 6b (, AND 6C,)* may levy an additional amount which shall not exceed the lesser of (a) an amount equal to one (MILL) and *one-half mills* times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying (i) *one and one-half times (I)* (ii) the ratio of the equalizing factor to 1,000, times ((II)) (iii) the number of pupil units identified in section 124.-17, subdivision 1, clauses (1), (2), (4), and (5), in the district in the school year when the levy is certified.

(3) (BY AUGUST 1 BEFORE A DISTRICT CERTIFIES ANY LEVY PURSUANT TO THIS SUBDIVISION IN 1979, OR) By the July 1 before a district certifies any levy pursuant to this subdivision in 1980, in any even-numbered year thereafter, or in any odd-numbered year thereafter when the district has not certified a levy pursuant to this subdivision in the preceding year, the board of the district shall hold a public hearing on the need for the proposed levy pursuant to this subdivision. At least three weeks published notice of the hearing in 10 point type, on 12 point body, with a larger headline, shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the amount of the proposed levy in dollars and mills, the *estimated* net unappropriated fund balance in the district's operating funds as of the June 30 before the levy is certified, and the tax impact of the proposed levy on homesteads with market values of \$30,000 and \$50,000. At the hearing, the district shall present its proposed revenue and expenditure budgets for the next two school years and the *estimated* net unappropriated fund balances in all district funds as of the June 30 before the levy is certified, and the board shall hear all parties requesting to give testimony for and against the proposed levy. Upon petition within 20 days after the hearing of (FIVE PERCENT) *the greater of (a) 50 voters, or (b) 15 percent* of the number of voters who voted in the district at the (PRECEDING STATEWIDE GENERAL) *most recent regular school board* election, the board shall call a referendum on a reduction of the proposed levy. The petition shall state the number of mills on the district's adjusted assessed valuation by which it proposes to reduce the proposed levy. No petition or referendum shall provide for a reduction of a proposed levy pursuant to this subdivision to a rate less than one-half mill on the district's adjusted assessed valuation below the rate levied by the district pursuant to this subdivision in the preceding year. The referendum shall be held on a date set by the school board, but no later than (SEPTEMBER 20 IN 1979 OR) the August 20 before the levy is certified (IN SUBSEQUENT YEARS.) The question on the ballot shall state the maximum amount of the proposed levy, the amount of the proposed reduction of the levy and the amount of the levy if the reduction is approved, in mills on the district's adjusted assessed valuation and in dollars in the first year of the proposed levy. The district may levy the amount provided by

the millage proposed by the school board, reduced by any reduction in millage approved at a referendum pursuant to this clause, applied to the preceding year's adjusted assessed valuation until the next even-numbered year. The district is not required to hold a public hearing or call a referendum on a levy pursuant to this subdivision in any odd-numbered year (AFTER 1979) which succeeds a year in which a levy is certified pursuant to this subdivision.

Sec. 12. Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 7b, is amended to read:

Subd. 7b. (1) It is the intention of the legislature that the revenue provided by the discretionary levy authorized in subdivision 7a and by the corresponding portion of foundation aid provided in section 124.212, subdivisions 7c, clause (5), and 7d, clause (5), be used to improve instructional programs in grades kindergarten through 12 *and not be used to increase a district's balance* (. IF THE BOARD OF ANY DISTRICT WITH A REASONABLE GENERAL FUND BALANCE DETERMINES THAT ALL OR PART OF THIS REVENUE IS NOT NEEDED FOR THIS PURPOSE AND IF THIS DETERMINATION IS DEMONSTRATED BY AN INCREASE IN THE DISTRICT'S GENERAL FUND BALANCE IN ANY FISCAL YEAR STARTING IN FISCAL YEAR 1981, THE MILL RATE USED TO CALCULATE THE AUTHORIZED DISCRETIONARY LEVY AND THE CORRESPONDING PORTION OF FOUNDATION AID SHALL BE REDUCED AS PROVIDED IN THIS SUBDIVISION. FOR PURPOSES OF THIS SUBDIVISION, A "REASONABLE GENERAL FUND BALANCE" SHALL MEAN \$150) *in all operating funds above \$165 per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5).*

(2) In any district where the maximum permissible levy pursuant to subdivision 7a in 1981 or in any year thereafter is determined according to clause (2), part (a), of that subdivision, and where the net unappropriated (GENERAL) fund balance *in all operating funds* has increased between the second June 30 before the levy is certified and the June 30 before the levy is certified, the maximum permissible levy pursuant to subdivision 7a in that year shall be reduced by an amount equal to the product obtained by multiplying

(a) the ratio of

(i) the quotient obtained by dividing the amount of that increase in the (GENERAL FUND) balance *in all operating funds* by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in the year when the levy is certified, to

(ii) the equalizing factor, times

(b) the district's adjusted assessed valuation for the preceding year.

No levy reduction pursuant to this clause, however, shall exceed an amount equal to the product obtained by multiplying

(a) the ratio of

(i) the difference obtained by subtracting (\$150) \$165 from the quotient obtained by dividing the *total* amount of the net unappropriated (GENERAL FUND) balance in *all operating funds* of the district as of the June 30 before the levy is certified, by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in the year when the levy is certified, to

(ii) the equalizing factor, times

(b) the district's adjusted assessed valuation for the preceding year.

(3) In any district where the maximum permissible levy pursuant to subdivision 7a in 1981 or in any year thereafter is determined according to clause (2), part (b), of that subdivision, and where the net unappropriated (GENERAL FUND) balance in *all operating funds* has increased between the second June 30 before the levy is certified and the June 30 before the levy is certified, the maximum permissible levy pursuant to subdivision 7a in that year shall be reduced by the *total* amount of (THAT) *the* increase in the (GENERAL FUND) *balance in all operating funds*. No levy reduction pursuant to this clause, however, shall exceed an amount equal to the difference obtained by subtracting

(a) the product obtained by multiplying (\$150) \$165 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in the year when the levy is certified, from

(b) the *total* amount of the net unappropriated (GENERAL FUND) balance in *all operating funds* in the district as of the June 30 before the levy is certified.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 275-125, Subdivision 20, is amended to read:

Subd. 20. The computation of levy limitations pursuant to subdivisions 2b, 2c, 6c and 19 shall be based on estimates where necessary. If as a result of using estimates for these computations the amount of any levy is different from the amount which could actually have been levied if actual data had been available, levy limitations in the first year when the actual data is known shall be adjusted to reflect for this difference. The amount of

any adjustment to levy limitations pursuant to this subdivision shall be recognized as revenue in the school year when the levy for which the levy limitation is so adjusted is recognized as revenue.

Sec. 14. [REPEALER.] *Minnesota Statutes 1978, Section 122.531, Subdivision 3, is repealed.*

Sec. 15. [DEFICIENCY APPROPRIATION; SUMMER SCHOOL.] *The sum of \$685,000 is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1980, for the payment of a deficiency in funds available for state aid for summer school. This amount is for 1979 summer school programs and shall be added to the sum appropriated for fiscal year 1980 for summer school aid in Laws 1979, Chapter 334, Article I, Section 28, Subdivision 3.*

Sec. 16. [DEFICIENCY APPROPRIATION; SPARSITY AID.] *There is appropriated from the general fund to the department of education the sum of \$30,000 for the fiscal year ending June 30, 1980, and the sum of \$6,000 for the fiscal year ending June 30, 1981, for the payment of a deficiency in funds available for sparsity aid for 1980 pursuant to section 124.224. These appropriations shall be added to the amounts appropriated for sparsity aid in Laws 1979, Chapter 334, Article I, Section 28, Subdivision 4.*

Sec. 17. [EFFECTIVE DATE.] *Sections 8, 15 and 16 are effective on the day following final enactment.*

ARTICLE II

TRANSPORTATION AID

Section 1. *Minnesota Statutes, 1979 Supplement, Section 124.223, is amended to read:*

124.223 [TRANSPORTATION AID AUTHORIZATION.] *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, the conveying of handicapped pupils between home and school and within the school plant, *necessary transportation of handicapped pupils during the school day to other buildings within or outside the district where services are provided*, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. *Transportation of handicapped pupils between home and school shall not be subject to the requirement in clause (1) that the pupil reside at least one mile from school in order for the transportation to qualify for aid;*

(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, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(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) *clauses (9) and (10)* when provided in conjunction with a state board approved summer school program;

(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 or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils any of these districts; 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. 2. Minnesota Statutes, 1979 Supplement, Section 124.225, is amended to read:

124.225 [TRANSPORTATION AID ENTITLEMENT.]
Subdivision 1. For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) *Beginning with the 1980-1981 school year, "region" means development region as defined in section 462.384, subdivision 5, except that the purposes of this section, development regions 1 and 2 are one region, development regions 4 and 5 are one region, development regions 6E and 6W are one region, and development regions 7E and 7W are one region.*

(c) "Total authorized cost" or "total authorized expenditure" means the sum of:

(i) all expenditures for transportation for which aid is authorized in section 124.223, plus

(ii) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12-1/2 percent per year of the cost of the fleet, plus

(iii) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33-1/3 percent per year of the cost to the district of the reconditioning.

((C)) (d) "Total authorized predicted cost" means the total authorized cost predicted by a (LINEAR) multiple regression formula determined by the department of education.

((D)) (e) *For the 1979-1980 school year, "regular and summer school authorized FTE's transported" means full time equivalent pupils transported under section 124.223, clause (1), during the regular school year and in conjunction with a state board approved summer school program.*

(f) *"Transportation category" means a category of transportation service provided to pupils. Each category includes transportation provided during the regular school year and in conjunction with a state board approved summer school program. For purposes of this section, transportation categories are as follows:*

(i) *Regular transportation is transportation services provided under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1);*

(ii) *Secondary vocational center transportation is transportation services provided under section 124.223, clause (3);*

(iii) *Handicapped transportation is transportation services provided under section 124.223, clause (4), excluding board and lodging and excluding transportation to and from board and lodging facilities;*

(iv) *Board and lodging is services provided, in lieu of transportation, under section 124.223, clauses (4) and (5);*

(v) *Between schools transportation is transportation services between schools provided under section 124.223, clause (1);*

(vi) *Shared time regular transportation is transportation services provided under section 124.223, clause (6), excluding transportation provided for pupils attending shared time special education classes;*

(vii) *Shared time special education transportation is transportation services for pupils attending shared time special education classes provided under section 124.223, clause (6);*

(viii) *To and from board and lodging facility transportation is transportation services to and from board and lodging facilities provided under section 124.223, clauses (4) and (7);*

(ix) *Cooperative academic and vocational transportation is transportation services provided under section 124.223, clause (9);*

(x) *Nonpublic health, guidance and counseling transportation is transportation services provided under section 124.223, clause (10);*

(g) *"Pupil weighting factor" means the ratio of the actual regional average cost per FTE in a particular transportation category to the actual regional average cost per FTE in the regular transportation category.*

(h) *"Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.*

(i) *"Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123.932, subdivision 9.*

Subd. 1a. For the 1980-1981 school year and thereafter, in computing transportation aid, the department of education shall

establish the pupil weighting factors for each transportation category for each region using transportation cost data for the second prior school year. The department shall use the statewide pupil weighting factor for any transportation category for which a region had no experience during the second prior school year.

Subd. 2. For the 1979-1980 school year, the state shall pay to each school district for all pupil transportation and related services for which the district is authorized by law to receive state aid an amount determined according to this section. A linear regression formula shall be determined for each planning region by the department of education, using the terms specified in subdivision 4, to maximize the amount of variance accounted for between the total actual authorized cost per FTE for the 1977-1978 school year and the total authorized predicted cost per FTE for the 1977-1978 school year. The formula determined for each region shall be used to determine a total authorized predicted cost per FTE for the 1977-1978 school year for each district in the region. The amount determined for each district shall be adjusted according to the provisions of subdivisions 5 and 7. (THE LINEAR REGRESSION FORMULAS SHALL BE DETERMINED SO THAT THE TOTAL TRANSPORTATION AID FOR THE 1979-1980 SCHOOL YEAR DOES NOT EXCEED THE AMOUNT APPROPRIATED FOR TRANSPORTATION AID FOR THE 1979-1980 SCHOOL YEAR.)

Subd. 3. For the 1980-1981 school year, the state shall pay to each school district for all pupil transportation and related services for which the district is authorized by law to receive state aid an amount determined according to this section. A (LINEAR) *multiple regression formula* shall be determined *through stepwise multiple regression analysis* for each (PLANNING) region by the department of education, using the terms specified in subdivision (4) 4a, to maximize the amount of variance accounted for between the total actual authorized cost per *weighted* FTE for the 1978-1979 school year and the total authorized predicted cost per *weighted* FTE for the 1978-1979 school year. The formula determined for each region shall be used to determine a total authorized predicted cost per *weighted* FTE for the 1978-1979 school year for each district in the region. The amount determined for each district shall be adjusted according to the provisions of subdivisions 6 and (7) 7a. (THE LINEAR REGRESSION FORMULAS SHALL BE DETERMINED SO THAT THE TOTAL TRANSPORTATION AID FOR ALL DISTRICTS FOR THE 1980-1981 SCHOOL YEAR DOES NOT EXCEED THE AMOUNT APPROPRIATED FOR TRANSPORTATION AID FOR THE 1980-1981 SCHOOL YEAR.)

Subd. 4. To predict the natural logarithm of the total authorized cost per FTE transported authorized by law for the 1979-1980 school year, the linear regression formula shall use the following terms and all their cross products:

(1) The natural logarithm of the quotient of 1.00 divided by the total number of authorized FTE's transported;

(2) The natural logarithm of the sum of 100 plus the difference between the average of the square roots computed for all districts in the state of the number of regular and summer school authorized FTE's transported per square mile minus the square root of the number of regular and summer school authorized FTE's transported per square mile in the district;

(3) The natural logarithm of the ratio of the number of regular and summer school authorized FTE's transported to the district's total average daily membership;

(4) The natural logarithm of the number of regular and summer school authorized FTE's transported per square mile;

(5) The natural logarithm of the district's average daily membership;

(6) The natural logarithm of the size of the district measured in square miles; and

(7) The natural logarithm of the total number of FTE's transported by the district authorized for aid pursuant to section 124.223 minus the number of regular and summer school authorized FTE's transported.

Subd. 4a. To predict the total authorized cost per weighted FTE for each district beginning in the 1980-1981 school year, each regional multiple regression formula shall use the following terms and their squares for each district in the region:

(1) *The area of the district measured in square miles;*

(2) *The district's average daily membership;*

(3) *The total number of authorized FTE's transported by the district;*

(4) *The total number of authorized FTE's transported by the district in the handicapped, shared time special education, and to and from board and lodging facility transportation categories as a percentage of the total number of authorized FTE's transported by the district;*

(5) *The number of authorized FTE's transported by the district in the board and lodging transportation category as a percentage of the total number of authorized FTE's transported by the district;*

(6) *The number of authorized FTE's transported by the district in the between schools transportation category as a percentage of the total number of authorized FTE's transported by the district;*

(7) *The number of authorized FTE's transported by the district in the shared time regular transportation category as a percentage of the total number of authorized FTE's transported by the district;*

(8) *The number of authorized FTE's transported by the district in the secondary vocational center transportation category as a percentage of the total number of authorized FTE's transported by the district;*

(9) *The number of authorized FTE's per square mile transported by the district in the regular transportation category;*

(10) *The number of authorized FTE's per square mile transported by the district in the handicapped transportation category;*

(11) *The number of authorized FTE's transported by the district in the regular transportation category as a percentage of the district's average daily membership;*

(12) *An index of the district's shape computed by the department of education based on a comparison of the perimeter of the district to the perimeter of a circle with the same square mile area as the district;*

(13) *The percentage of the district's square mile area which is classified by the state planning agency as water-covered or marshland;*

(14) *The number of 40 acre parcels of land in the district which are contiguous to or intersected by unpaved roads, as a percentage of the number of 40 acre parcels of land in the district which are contiguous to or intersected by any roads, paved or unpaved. The number of 40 acre parcels of each type shall be obtained from the state planning agency;*

(15) *The percentage of the district's square mile area which is classified by the state planning agency as having a slope of land exceeding six percent;*

(16) *The number of authorized FTE's transported to non-public schools by the district in the regular transportation category as a percentage of the total number of authorized FTE's transported by the district in the regular transportation category.*

Subd. 5. The total authorized predicted cost per FTE determined for a district under subdivision 2 for 1977-1978 shall be increased by (17) 27 percent.

Subd. 6. The total authorized predicted cost per *weighted* FTE determined for a district under subdivision 3 for 1978-1979 shall be increased by (17) 29 percent.

Subd. 7. (1) Each district's adjusted total authorized predicted cost per FTE determined for (EACH) *the 1979-1980* school year according to subdivision 5 (OR 6) shall be compared to the total actual expenditure per FTE for authorized transportation for that district for that year to determine the district's aid entitlement per FTE for that year.

(2) *For the 1979-1980 school year*, if the adjusted total authorized predicted cost per FTE is greater than the district's actual authorized expenditure per FTE, its aid entitlement per FTE shall equal the adjusted predicted cost per FTE minus 10 percent of the first \$10 of difference between the adjusted total authorized predicted cost per FTE and the actual expenditure per FTE; minus 20 percent of the next \$20; minus 40 percent of the next \$20; minus 60 percent of the next \$50; and minus 75 percent of the difference which exceeds \$100.

(3) *For the 1979-1980 school year*, if the adjusted total authorized predicted cost per FTE is less than the district's actual authorized expenditure per FTE, its aid entitlement per FTE shall equal the adjusted total authorized predicted cost per FTE plus 10 percent of the first \$10 of difference between the adjusted predicted cost per FTE and the actual expenditure per FTE; plus 20 percent of the next \$20; plus 40 percent of the next \$20; plus 60 percent of the next \$50; and plus 75 percent of the difference which exceeds \$100.

(4) Notwithstanding clauses (2) and (3), for the 1979-1980 school year, no district's aid entitlement per FTE shall be less than its actual authorized expenditure per FTE minus \$20 or more than its actual authorized expenditure per FTE plus \$20.

Subd. 7a. (1) *Each district's adjusted total authorized predicted cost per weighted FTE determined for the 1980-1981 school year and each year thereafter according to subdivision 6 shall be compared to the total actual expenditure per weighted FTE for authorized transportation for that district for that year to determine the district's aid entitlement per weighted FTE for that year.*

(2) *If the adjusted total authorized predicted cost per weighted FTE is greater than the district's actual authorized expenditure per weighted FTE, its aid entitlement per weighted FTE shall equal the adjusted predicted cost per weighted FTE minus 20 percent of the first \$10 of difference between the ad-*

justed total authorized predicted cost per weighted FTE and the actual expenditure per weighted FTE; minus 40 percent of the next \$10; 60 percent of the next \$10; minus 75 percent of the difference which exceeds \$30.

(3) If the adjusted total authorized predicted cost per weighted FTE is less than the district's actual authorized expenditure per weighted FTE, its aid entitlement per weighted FTE shall equal the adjusted total authorized predicted cost per weighted FTE plus 20 percent of the first \$10 of difference between the adjusted predicted cost per weighted FTE and the actual expenditure per weighted FTE; plus 40 percent of the next \$10; plus 60 percent of the next \$10; plus 75 percent of the difference which exceeds \$30.

Subd. 8. A district's aid pursuant to this section for (EACH) the 1979-1980 school year shall equal the district's aid entitlement per FTE determined according to subdivision 7 times the total number of authorized FTE's transported in the district in that school year, minus the amount raised by one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year.

Subd. 8a. A district's aid pursuant to this section for the 1980-1981 school year and each year thereafter shall equal the district's aid entitlement per weighted FTE determined according to subdivision 7a times the total number of authorized weighted FTE's transported in the district in that school year, minus the amount raised by one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year.

Subd. 8b. (a) In addition to the amount authorized in subdivision 8a, for the 1980-1981 school year, the state shall pay aid for the excess costs of providing transportation for handicapped students as provided in this subdivision to a district where:

(1) the average daily membership in that year is 2,500 or fewer pupils,

(2) the total actual authorized expenditures exceed the aid entitlement, and

(3) the actual authorized expenditure per weighted FTE in the handicapped and board and lodging categories exceeds 140 percent of the aid entitlement per weighted handicapped and board and lodging FTE.

(b) This aid shall equal 80 percent of the difference between:

(1) the actual authorized expenditure per weighted handicapped and board and lodging FTE and

(2) 140 percent of the aid entitlement per weighted handicapped and board and lodging FTE.

(3) For purposes of the computation of aid pursuant to this subdivision, the amounts of the actual authorized expenditure and the aid entitlement shall exclude amounts attributable to depreciation. Aid pursuant to this subdivision shall not exceed the difference between the district's total actual authorized expenditures and its total aid entitlement.

Subd. 9. Each district shall report to the department before July 1 of each year an estimate for the next school year of the total number of FTE's transported by *transportation* category and an estimate of the district's total actual authorized transportation expenditure by *transportation* category. The district's aid shall be determined for purposes of the first three transportation aid payments for the school year using these estimates. Before August 15 (OF EACH YEAR), 1980, each district shall provide the department with the information for the (PRECEDING) 1979-1980, school year which the department determines is necessary to compute the district's actual authorized expenditure per FTE for purposes of the computation in subdivision 7 and the district's actual total number of FTE's transported for purposes of the aid computation in subdivision 8. Before August 15, 1981, and each August 15 thereafter, each district shall provide the department with the information for the preceding school year which the department determines is necessary to compute the district's actual authorized expenditure per weighted FTE for purposes of the computation in subdivision 7a and the district's actual total number of weighted FTE's transported for purposes of the aid computation in subdivision 8a. The district's final transportation aid payment for (THAT) the school year shall be based on these computations.

Subd. 10. Any school district which owns school buses or mobile units shall transfer annually from the unappropriated fund balance account in its transportation fund to the appropriated fund balance account for bus purchases in its (BUS PURCHASE) transportation fund at least an amount equal to 12-1/2 percent of the original cost of each bus or mobile unit until the original cost of each bus or mobile unit is fully amortized, plus 33-1/3 percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized. Any school district may transfer any amount from the unappropriated fund balance account in its transportation fund to any other operating fund or to the appropriated fund balance account for bus purchases in its (BUS PURCHASE) transportation fund.

Subd. 11. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, the state shall pay to each school

district 30 percent of its estimated school transportation aid entitlement for the fiscal year on or before each of the following dates: August 31, December 31, and March 31. The final aid distribution to each district shall be made on or before October 31 of the following fiscal year.

Sec. 3. Minnesota Statutes 1978, Section 275.125, Subdivision 5, is amended to read:

Subd. 5. For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of one mill times the adjusted assessed valuation of the taxable property of the district for the preceding year. A district may levy under this subdivision for the (ANNUAL CASH PAYMENTS TO BE MADE FOR THE PURCHASE OF BUSES, BUT ONLY FOR THAT PORTION OF THE PAYMENTS NOT OFFSET BY STATE TRANSPORTATION AID RECEIVED ON ACCOUNT OF DEPRECIATION) *amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year when the levy is recognized as revenue.* (BEGINNING WITH THE LEVY CERTIFIED IN 1976,) A district may also levy for transportation costs or other related services which are approved by the commissioner as necessary because of extraordinary traffic hazards for the current fiscal year.

Sec. 4. Minnesota Statutes 1978, Section 275.125, Subdivision 5a, is amended to read:

Subd. 5a. (UPON APPROVAL OF THE COMMISSIONER, A DISTRICT MAY LEVY FOR INCREASED TRANSPORTATION COSTS ABOVE THE FORMULA LIMITATION RESULTING FROM CHANGES IN TRANSPORTATION PATTERNS REQUIRED BY LEASING A SCHOOL IN ANOTHER DISTRICT PROVIDED THAT THE COST INCREASES ARE ESTIMATED TO BE A DIRECT RESULT OF LEASING THAT SCHOOL AND THE INCREASES RESULT IN COSTS ABOVE THE FORMULA LIMITATION.) *When the transportation patterns of a district change as a result of leasing a school in another district, the district may, upon approval of the commissioner, levy for any increase in transportation cost above the cost that would occur without the leasing of the school.* The commissioner shall approve a specific dollar amount which may be levied because of these increased costs. The levy authorized by this subdivision may be computed on the basis of estimated increased costs. In the first year a district makes the levy authorized by this subdivision, the commissioner may authorize a levy sufficient to pay for estimated increased costs resulting from leasing for two years. The amount provided by this levy shall not be included in the computation of the actual net operating cost per pupil transported in future years.

Sec. 5. [SCHOOL BUS ALCOHOL FUEL DEMONSTRATION.] *Subdivision 1. The commissioner of education may make grants to school districts for the purpose of converting gasoline-fueled school buses to the use of straight alcohol fuel. Each grant shall be limited to the actual cost of the conversion from gasoline fuel to alcohol fuel, but the total grant shall not exceed \$700 per bus to be converted plus reimbursement for additional costs necessary for compliance with subdivision 4. The commissioner shall provide general guidelines for districts to follow in making these conversions.*

Subd. 2. [SELECTION OF PARTICIPATING DISTRICTS.] To the extent feasible, the commissioner shall make grants pursuant to subdivision 1 so as to include one or more school districts in each of the following categories: districts with primarily urban bus routes, districts with primarily rural bus routes, districts with gravel or unpaved roads on their bus routes, and suburban school districts having a broad range of population densities.

Subd. 3. [ALCOHOL FUEL STORAGE FACILITIES.] School districts which participate in this program may apply for an additional grant to cover the costs of establishing satisfactory alcohol fuel storage facilities. These additional grants shall be limited to \$1,000 per school district or to the actual cost of the necessary storage facilities, whichever is less.

Subd. 4. [REPORT BY DISTRICTS.] On or before February 1, 1981, every school district receiving a grant pursuant to subdivision 1 shall make a report to the commissioner including the following information: (1) the fuel cost differences between using alcohol as a fuel and using gasoline as a fuel in its school buses; (2) any fuel system or drivability problems with its buses converted to alcohol; (3) any differences in maintenance costs between gasoline-fueled and alcohol-fueled buses; (4) any difficulties with the availability of alcohol fuel; and (5) any other observations the district deems pertinent.

This reporting requirement shall not apply to any school district which has not used any of its alcohol-fueled school buses on a regular basis before November 15, 1980.

Subd. 5. [REPORT TO LEGISLATURE.] The commissioner shall make the information received pursuant to subdivision 4 available to the energy agency and shall report to the legislature on or before February 15, 1981, evaluating the practicality of alcohol as a fuel for school buses.

Sec. 6. [TRANSPORTATION STUDY; COMPUTERIZED BUS ROUTING.] *Subdivision 1. Before February 1, 1981, the department of education shall report to the appropriate committees of the legislature on proposed measures for economy*

and cost effectiveness in school transportation and related services. The report shall include a study of the existing administration of transportation services based on a sampling of school districts of representative sizes and locations, and other data throughout the state. The report shall also include recommendations by the department on the following:

(1) Measures by districts to reduce fuel costs, conserve fuel and increase the overall efficiency of transportation and related services;

(2) Adjustments to the transportation aid entitlement formula; and

(3) Measures by the department of education which will assist districts in reducing their costs for transportation and related services.

Subd. 2. After February 1, 1981, the department of education shall provide technical assistance to school districts which request it for developing computer assisted bus routing plans.

Subd. 3. The department of education may increase its staff complement by two professional employees and one clerical employee for the purposes of subdivisions 1 and 2. The department may also contract with consultants or employ necessary temporary personnel for the purposes of subdivision 1.

Sec. 7. [REPEALER.] Minnesota Statutes 1978, Section 123.39, Subdivision 3; and Minnesota Statutes, 1979 Supplement, Section 124.222, Subdivision 3, are repealed.

Sec. 8. [APPROPRIATION; ALCOHOL CONVERSION.] For grants pursuant to section 5, there is appropriated to the department of education from the general fund the sum of \$30,000 for the fiscal year ending June 30, 1981. If this appropriation amount is insufficient for the purposes indicated, the state shall not be obligated for any amount in excess of the appropriation in this section for these purposes.

Sec. 9. [APPROPRIATION; TRANSPORTATION STUDY; COMPUTERIZED BUS ROUTING.] There is appropriated from the general fund to the department of education the sum of \$150,000 for the purposes of section 6 of this article. This appropriation is available until June 30, 1981.

Sec. 10. [APPROPRIATION.] Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [TRANSPORTATION AID.] For transportation aid there is appropriated:

\$ 2,000,000	1980,
\$13,688,300	1981.

(a) *The appropriation for 1980 is for aid for fiscal year 1980 payable in fiscal year 1980.*

(b) *The appropriation for 1981 includes \$2,225,600 for aid for fiscal year 1980 payable in fiscal year 1981 and \$11,462,700 for aid for fiscal year 1981 payable in fiscal year 1981.*

(c) *The amounts appropriated in this subdivision shall be added to the amounts appropriated for transportation aid in Laws 1979, Chapter 334, Article II, Section 15, Subdivision 2.*

Subd. 3. Any unexpended balance remaining from the appropriation in this section for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriated amount attributable to either year for any purpose indicated is insufficient when added to the amount appropriated for the purpose in Laws 1979, Chapter 334, Article II, Section 15, Subdivision 2, the aid for that year shall be prorated among all qualifying districts. The state shall not be obligated for any amount in excess of the total appropriations in this section and in Laws 1979, Chapter 334, Article II, Section 15, Subdivision 2, for those purposes.

Sec. 11. [EFFECTIVE DATE.] *This article is effective the day after final enactment, except that the provisions of section 2 relating to mobile units are effective July 1, 1980.*

ARTICLE III

SPECIAL EDUCATION

Section 1. Minnesota Statutes 1978, Section 120.095, Subdivision 6, is amended to read:

Subd. 6. The school census shall include an enumeration of children of limited English (SPEAKING ABILITY) *proficiency* residing within the district by primary language (, RACE AND NATIONAL ORIGIN). In making this census the school board shall seek the assistance and cooperation of agencies, organizations or community groups, public or private, which might have information about students of limited English (SPEAKING ABILITY) *proficiency* residing in the school district. As used in this subdivision, the following terms have the meanings given them:

(a) "Children of limited English (SPEAKING ABILITY) *proficiency*" means children whose primary language is other

than English or who come from home environments where the primary language is other than English and by reason thereof have difficulty reading, writing, speaking and understanding ordinary classroom instruction and have difficulty in performing ordinary classwork in the English language; and

(b) "Primary language" (SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN SECTION 126.34) *means a language other than English which is the language normally used by the child or the language which is spoken in the child's home environment.*

Sec. 2. Minnesota Statutes 1978, Section 120.10, Subdivision 2, is amended to read:

Subd. 2. [SCHOOL.] A school, to satisfy the requirements of compulsory attendance, must be one: (1) in which all the common branches are taught in the English language, from textbooks written in the English language, and taught by teachers whose qualifications are essentially equivalent to the minimum standards for public school teachers of the same grades or subjects and (2) which is in session each school year for at least 175 days or their equivalent; provided that in a program of instruction for children of limited English (SPEAKING ABILITY) *proficiency*, instruction and textbooks may be in the primary language of the children of limited English (SPEAKING ABILITY) *proficiency* enrolled therein. Any other language may be taught as provided in section 126.07. As used in this subdivision, the terms "children of limited English (SPEAKING ABILITY) *proficiency*" and "primary language" shall have the meanings ascribed to them in section (126.34) *15 of this article.*

Sec. 3. Minnesota Statutes 1978, Section 126.07, is amended to read:

126.07 [INSTRUCTION, USE OF ENGLISH LANGUAGE.] The books used and the instruction given in public schools shall be in the English language, but any other language may be used by teachers in explaining to pupils who understand such language the meaning of English words; provided that in the case of a program for children of limited English (SPEAKING ABILITY) *proficiency*, instructions and books may be in the primary language of the children of limited English (SPEAKING ABILITY) *proficiency*. As used in this section, the terms "children of limited English (SPEAKING ABILITY) *proficiency*" and "primary language" shall have the meanings ascribed to them in section (126.34) *15 of this article.* In secondary and elementary schools other languages may be taught, when made a part of a regular or optional course of study.

Sec. 4. Minnesota Statutes 1978, Section 126.36, Subdivision 1, is amended to read:

126.36 [TEACHERS; LICENSES.] Subdivision 1. [BILINGUAL AND ENGLISH AS A SECOND LANGUAGE LICENSES.] The board of teaching, hereinafter the board, shall grant teaching licenses in bilingual education *and English as a second language* to persons who present satisfactory evidence that they:

(a) Possess competence and communicative skills in English and in another language;

(b) Possess a bachelor's degree or other academic degree approved by the board, (OR) *and* meet such requirements as to course of study and training as the board may prescribe.

Sec. 5. Minnesota Statutes 1978, Section 126.36, Subdivision 3, is amended to read:

Subd. 3. [EMPLOYMENT OF TEACHERS.] Teachers employed in a bilingual education *or English as a second language* program established pursuant to sections (126.31) 14 to (126.42) 22 of this article shall not be employed to replace any presently employed teacher who otherwise would not be replaced.

Sec. 6. Minnesota Statutes 1978, Section 126.36, Subdivision 4, is amended to read:

Subd. 4. [TEACHER PREPARATION PROGRAMS.] For the purpose of licensing bilingual *and English as a second language* teachers, the board may approve programs at colleges or universities designed for their training subject to the approval of the state board of education.

Sec. 7. Minnesota Statutes 1978, Section 126.36, Subdivision 5, is amended to read:

Subd. 5. [PERSONS ELIGIBLE FOR EMPLOYMENT.] Any person licensed under this section shall be eligible for employment by a school board as a teacher in a bilingual education *or English as a second language* program in which the language for which he is licensed is taught or used as a medium of instruction. A school board may prescribe only those additional qualifications for teachers licensed under this section as are approved by the board of teaching. (ANY SCHOOL BOARD UPON REQUEST MAY BE EXEMPTED FROM THE LICENSURE REQUIREMENTS OF THIS SECTION IN THE HIRING OF ONE OR MORE BILINGUAL EDUCATION TEACHERS FOR ANY SCHOOL YEAR IN WHICH COMPLIANCE WOULD, IN THE OPINION OF THE COMMISSIONER OF EDUCATION, CREATE A HARDSHIP IN THE DISTRICT IN THE SECURING OF THE TEACHERS. THE COMMISSIONER SHALL NOTIFY THE BOARD OF TEACHING OF ANY EXEMPTIONS GRANTED PURSUANT TO THIS SUBDIVISION.)

Sec. 8. Minnesota Statutes 1978, Section 126.52, Subdivision 5, is amended to read:

Subd. 5. [COMMUNITY INVOLVEMENT.] The state board shall provide for the maximum involvement of the state advisory task force on American Indian language and culture education, parents of American Indian children, secondary students eligible to be served, American Indian language and culture education teachers, teachers' aides, representatives of community groups, and persons knowledgeable in the field of American Indian language and culture education, in the formulation of policy and procedures relating to the administration of sections 126.45 to 126.55. (THE NEEDS ASSESSMENTS AND RESOURCE EVALUATIONS PROVIDED FOR IN SUBDIVISIONS 1 AND 2 SHALL BE UNDERTAKEN ON INDIAN RESERVATIONS ONLY IN CONNECTION WITH, OR WITH THE PERMISSION OF, THE RESPECTIVE TRIBAL GOVERNMENTS.)

Sec. 9. Minnesota Statutes 1978, Section 126.52, is amended by adding a subdivision to read:

Subd. 12. [COMPREHENSIVE STUDY; INDIAN NEEDS.] The state planning agency shall prepare a comprehensive study of the educational, economic and social needs of American Indians in Minnesota. The department of education, department of economic development, department of economic security, and the department of corrections shall provide the planning agency with the available information it requests. The commissioners of these departments shall cooperate with the director of the state planning agency in preparing the study. The study shall be presented to the education and finance committees of the senate, and to the education and appropriations committees of the house of representatives by February 1, 1981.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 126.54, Subdivision 1, is amended to read:

126.54 [CONTINUATION OF INDIAN EDUCATION PILOT PROJECT GRANTS.] Subdivision 1. [GRANTS; PROCEDURES.] For fiscal (YEARS 1978, 1979, AND 1980, AS PART OF THE NEEDS ASSESSMENT EFFORT) year 1981, the state board of education shall make grants to no fewer than six school year pilot American Indian language and culture education programs. At least three pilot programs shall be in urban areas and at least three shall be on or near reservations. The board of a local district, a participating school or a group of boards may develop a proposal for grants in support of pilot American Indian language and culture education programs. Proposals may provide for contracts for the provision of program components by nonsectarian nonpublic, community, tribal or alternative schools. The state board shall prescribe the form and manner of application for grants, and no grant shall be made

for a proposal not complying with the requirements of sections 126.45 to 126.55. The state board shall submit all proposals to the state advisory task force on American Indian language and culture education programs for its recommendations concerning approval, modification, or disapproval and the amounts of grants to approved programs.

Sec. 11. Minnesota Statutes 1978, Section 126.54, Subdivision 5, is amended to read:

Subd. 5. [RECORDS.] Participating schools and school districts shall keep records and afford access to them as the commissioner finds necessary to ensure that American Indian language and culture education programs are implemented in conformity with sections 126.45 to 126.55. Each school district or participating school shall keep (AN) accurate, detailed, and separate *revenue and expenditure accounts* (ACCOUNT OF ALL MONEY RECEIVED AND PAID OUT BY IT) for pilot American Indian language and culture education programs funded under this section.

Sec. 12. Minnesota Statutes 1978, Section 126.54, Subdivision 6, is amended to read:

Subd. 6. [MONEYS FROM OTHER SOURCES.] A school district or participating school providing American Indian language and culture education programs shall be eligible to receive (FUNDS) *moneys* for these programs from other government agencies and from private sources when the (FUNDS) *moneys* are available.

Sec. 13. [HANDICAPPED CHILDREN; NEEDS; SERVICES.] *Subdivision 1. The legislature is concerned about the special needs of handicapped children younger than the age of four years who are not receiving special instruction and services pursuant to section 120.17.*

Subd. 2. The commissioner of education, in cooperation with the commissioner of health and the commissioner of public welfare, shall design and conduct a statewide assessment of the special education and related services needs of all children younger than four years of age who are handicapped as defined by section 120.03. The procedures for this needs assessment shall be established by the commissioners by September 1, 1980, and the needs assessment shall be completed by June 30, 1981.

Subd. 3. By January 1, 1981, every school district shall provide to the commissioner of education an estimate of the number of handicapped children, as defined by section 120.03, under four years of age in that district. The district shall also report to the commissioner the number of these children receiving special instruction and services according to section 120.17 on the date the estimate is prepared.

Subd. 4. The commissioner of education shall report to the legislature by September 1, 1981, on the information gathered pursuant to subdivisions 2 and 3.

Sec. 14. [CITATION.] Sections 14 to 22 of this article may be cited as the education for limited English proficient students act.

Sec. 15. [DEFINITIONS.] Subdivision 1. For purposes of sections 14 to 22 of this article, the terms defined in this section shall have the meanings given them.

Subd. 2. "Pupil of limited English proficiency" means a pupil in any of the grades of kindergarten through 12 who meets the following requirements:

(a) The pupil, as declared by his parent or guardian (1) first learned a language other than English, (2) comes from a home where the language usually spoken is other than English, or (3) usually speaks a language other than English; and

(b) The pupil's score is significantly below the average district score for pupils of the same age on a nationally normed English reading or English language arts achievement test. A pupil's score shall be considered significantly below the average district score for pupils of the same age if it is one-third of a standard deviation below that average score.

Subd. 3. "Essential instructional personnel" means the following:

(a) A teacher licensed by the state board of teaching to teach bilingual education or English as a second language;

(b) A teacher with an exemption from a teaching license requirement pursuant to section 19 of this article who is employed in a school district's English as a second language or bilingual education program;

(c) Any teacher as defined in section 125.03 who holds a valid license from the state board of teaching, if the district assures the state department of education that the teacher will obtain the preservice and inservice training the department considers necessary to enable the teacher to provide appropriate service to pupils of limited English proficiency.

Subd. 4. "English as a second language program" means a program for the instruction of pupils of limited English proficiency in the following English language skills: reading, writing, listening and speaking.

Subd. 5. "Bilingual education program" means an educational program in which instruction is given in both English and the primary language of the pupil of limited English proficiency to the extent necessary to allow the pupil to progress effectively through the educational system and to attain the basic skills of reading, writing, listening, and speaking in the English language so that the pupil will be able to perform ordinary classwork successfully in English.

Subd. 6. "Primary language" is a language other than English which is the language normally used by the child or the language which is spoken in the child's home environment.

Subd. 7. "Parent" includes a child's legal guardian.

Subd. 8. "Educational program for limited English proficient students" means an English as a second language program, bilingual education program, or both an English as a second language and a bilingual education program.

Sec. 16. [AID AUTHORIZATION.] Subdivision 1. Beginning with the 1980-1981 school year, the department of education shall pay a school district an amount not to exceed 70 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for students of limited English proficiency. The department shall pay a district an amount not to exceed 70 percent of the salary of one full time equivalent teacher for each 45 pupils of limited English proficiency, or a pro rata amount thereof for fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay an amount not to exceed 70 percent of the salary for one-half of a full time equivalent teacher for a district which has 22 or fewer pupils of limited English proficiency.

Subd. 2. [PARTICIPATION OF NONPUBLIC SCHOOL PUPILS.] In counting the number of pupils of limited English proficiency for purposes of this section, districts may include pupils of limited English proficiency who attend nonpublic schools in the district. A district which counts those pupils and receives aid pursuant to this section shall offer those pupils the same programs on the same terms that it offers to pupils of limited English proficiency who attend the public school. A program provided for a nonpublic school pupil pursuant to this subdivision shall be provided at a public school or a neutral site as defined in section 123.932, subdivision 9. Nonpublic school pupils served by a district's educational program for limited English proficient students shall be counted for average daily membership pursuant to section 124.212, subdivision 9a.

Subd. 3. [APPLICATIONS.] (a) A district that wishes to receive aid pursuant to this section for programs to serve pupils enrolled before the application deadline shall apply to the

commissioner of education before September 15 in each year in the manner prescribed by the commissioner. The application shall include the number of pupils to be served in the district educational program for limited English proficient students, the number of essential instructional personnel the district proposes to employ in this program and any other information deemed necessary by the commissioner to implement this section. School districts may submit joint applications for aid pursuant to this section, and districts which have fewer than 45 pupils of limited English proficiency are encouraged to submit joint applications and to share essential instructional personnel for English as a second language programs or bilingual education programs. A district that wishes to receive aid pursuant to this section for programs to serve pupils enrolled after the application deadline may apply to the commissioner of education at any time before the end of the school year in the manner prescribed by the commissioner.

(b) The commissioner shall provide procedures for districts to submit additional applications for aid pursuant to this section for additional essential instructional personnel needed to serve substantial increases in the number of limited English proficient pupils who enroll in a district's educational program for limited English proficient students after the district has received aid for that school year pursuant to this section.

Subd. 4. [NOTICE OF AID; PAYMENTS.] The department shall inform each applicant district of the amount of aid it will receive pursuant to this section by October 15 for applications received before September 15, and it shall pay this aid by December 1. For districts submitting an application after September 15, the department shall inform the applicant district of the amount of aid it will receive pursuant to this section within a month after the application is submitted, and the department shall pay the aid within 15 days after notifying the district that it will receive aid.

Subd. 5. [RECORDS; AUDIT.] A district which applies for aid pursuant to this section shall maintain records which support the information contained in all of its applications. The commissioner of education may audit these records upon request. A district which receives aid pursuant to this section shall keep such additional records in the manner prescribed by the commissioner as the commissioner deems necessary to ensure that an educational program for limited English proficient students is implemented and operated in accordance with sections 14 to 22 of this article.

Subd. 6. [MONEY FROM OTHER SOURCES.] A school district providing a program for limited English proficient students shall be eligible to receive moneys for these programs from other government agencies and from private sources when these moneys are available.

Sec. 17. [RIGHTS OF PARENTS.] *Subdivision 1. No later than ten days after the enrollment of any pupil in an instructional program for limited English proficient students, the school district in which the pupil resides shall notify the parent or guardian by mail. This notice shall:*

(a) *Be in writing in English and in the primary language of the pupil's parents;*

(b) *Inform the parents that their child has been enrolled in an instructional program for limited English proficient students;*

(c) *Contain a simple, nontechnical description of the purposes, method and content of the program;*

(d) *Inform the parents that they have the right to visit the educational program for limited English proficient students in which their child is enrolled;*

(e) *Inform the parents of the time and manner in which to request and receive a conference for the purpose of explaining the nature and purpose of the program; and*

(f) *Inform the parents of their rights to withdraw their child from an educational program for limited English proficient students and the time and manner in which to do so.*

The department of education shall, at the request of the school district, prepare the notice in the primary language of the parent or guardian.

Subd. 2. Any parent whose child is enrolled in an educational program for limited English proficient students shall have the right, either at the time of the original notification of enrollment or at the close of any semester thereafter, to withdraw his child from the program by providing written notice of this intent to the principal of the school in which his child is enrolled or to the superintendent of the school district in which his child resides. Nothing herein shall preclude a parent from re-enrolling a child of limited English proficiency in an educational program for limited English proficient students.

Subd. 3. A district which receives moneys pursuant to section 16 of this article shall encourage involvement of parents of pupils enrolled in the educational program for limited English proficient students in this program. The district shall solicit the views of parents about the program and its effects upon their children.

Sec. 18. [GENERAL REQUIREMENTS FOR PROGRAMS.] *A district which receives aid pursuant to section 16*

of this article shall comply with the following program requirements:

(a) To the extent possible, the district shall avoid isolating children of limited English proficiency for a substantial part of the school day; and

(b) In predominantly nonverbal subjects, such as art, music, and physical education, pupils of limited English proficiency shall be permitted to participate fully and on an equal basis with their contemporaries in public school classes provided for these subjects. To the extent possible, the school district shall assure to pupils enrolled in a program for limited English proficient students an equal and meaningful opportunity to participate fully with other pupils in all extracurricular activities.

Sec. 19. [EXEMPTION FROM TEACHING LICENSURE.]

Subdivision 1. The commissioner of education may grant an exemption from the licensure requirement in the hiring of teachers of English as a second language or bilingual education teachers to a school district if the commissioner finds that compliance would impose a hardship upon the district in the securing of teachers for its educational programs for limited English proficient students. The commissioner of education shall notify the board of teaching of any exemptions granted pursuant to this section.

Subd. 2. A teacher serving under an exemption as provided in subdivision 1 shall be granted a license as soon as that teacher qualifies for it. Not more than one year of service by a teacher under an exemption shall be credited to the teacher for the purposes of section 125.12, and not more than two years shall be credited to the teacher for purposes of section 125.17; and the one or two years shall be deemed to precede immediately and be consecutive with the year in which the teacher becomes licensed.

Sec. 20. [TECHNICAL ASSISTANCE.] *The state board of education shall provide technical assistance to school districts receiving aid pursuant to section 16 of this article and to post-secondary institutions for preservice and inservice training for bilingual education teachers and English as a second language teachers employed in educational programs for limited English proficient students, teaching methods, curriculum development, testing and testing mechanisms, and the development of instructional materials for these educational programs.*

Sec. 21. [DEPARTMENT OF EDUCATION STAFF COMPLEMENT; MONEYS FROM OTHER SOURCES.] *Subdivision 1. In order to carry out the duties imposed by sections 16, 17, 19, and 20 of this article, the department of education may add two professional positions and one clerical position with moneys appropriated to the commissioner of education for this purpose in section 27, subdivision 2 of this article. In addition,*

if the commissioner of education receives moneys for that purpose pursuant to Title IV of the Civil Rights Act of 1964 (P.L. 88-352), as amended, or Title VII of the Elementary and Secondary Education Act of 1965 (P.L. 89-10), as amended, the department may add two professional positions and one clerical position and pay the salaries for the positions from the federal moneys.

Subd. 2. The state board of education may apply for moneys which are or may become available under federal refugee assistance and other programs for administration, demonstration projects, training, technical assistance, planning, and evaluation of programs for limited English proficient students.

Sec. 22. [CONSTRUCTION.] *Nothing in the provisions of sections 14 to 21 of this article shall be construed to violate the provisions of section 127.08 or Chapter 363. Programs and activities pursuant to sections 14 to 21 of this article shall be deemed to be positive action programs to combat discrimination.*

Sec. 23. [OUT OF SCHOOL YOUTH PROGRAM.] *Subdivision 1. The state department of education shall develop recommendations to provide for a system for identifying and serving youth who have left the educational system without appropriate learning skills, social skills and employability.*

Subd. 2. The state department of education shall identify problems and alternative approaches to serving the needs of out of school youth. A report on serving out of school youth and recommendations for legislation shall be submitted to the legislature by February 2, 1981.

The state department of education shall also develop a system for facilitating cooperative action between the educational system, the employment and training system, the juvenile justice system and community service agencies.

Sec. 24. [REPEALER.] *Minnesota Statutes 1978, Sections 126.31; 126.32; 126.33; 126.34; 126.35; 126.36, Subdivision 6; 126.37; 126.38; 126.39, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, and 9; 126.40, Subdivisions 1 and 2; 126.41, Subdivisions 2, 3, 4, 5, 6, and 7; 126.42; 126.52, Subdivisions 1, 2, 3, 4, 6 and 7; and Minnesota Statutes, 1979 Supplement, Sections 126.39, Subdivision 10; 126.40, Subdivision 3; 126.41, Subdivision 1; and 126.52, Subdivision 10, are repealed.*

Sec. 25. [APPROPRIATION; INDIAN PILOT PROGRAMS.] *The sum of \$600,000 is appropriated from the general fund to the department of education for the purpose of making the grants authorized by section 10 of this article and shall be available until June 30, 1981.*

Sec. 26. [APPROPRIATION; INDIAN EDUCATION.]
 Subdivision 1. *For certain Indian education programs there is appropriated:*

\$398,000 1981.

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.

The governor shall not approve the payment of any amount to a school district pursuant to this section unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts of this appropriation may be distributed to the following school districts: \$125,000 to Independent School District No. 309 - Pine Point School; \$22,000 to Independent School District No. 166; \$34,000 to Independent School District No. 432; \$32,000 to Independent School District No. 435; \$96,000 to Independent School District No. 707; and \$89,000 to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or state-wide requirements.

This appropriation is available August 15, 1980, but only if there will not be available for the districts enumerated in this section for the 1980-1981 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.

Subd. 2. Before a district can receive moneys pursuant to subdivision 1, the district must submit to the commissioner of education evidence that it has:

(a) Complied with the uniform financial accounting and reporting standards act, sections 121.90 to 121.92 and Article VII, sections 9 to 17 of this act. For the 1980-1981 school year, compliance with section 121.908 subdivision 3a shall require the school district to prepare one budget including the amount available to the district pursuant to subdivision 1 and one budget which does not include these moneys. The budget of that school district for the 1981-1982 school year prepared according to section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1980-1981 budgets and shall not include any moneys appropriated in this section;

(b) Conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, Sections 120.03 and 120.17; Public Law 94-142, an act of the 94th Congress of the United States cited as the "Education

for All Handicapped Children Act of 1975"; and applicable state board of education rules; and

(c) Compiled accurate daily pupil attendance records.

Subd. 3. The commissioner of education, in consultation with the commissioner of finance, shall make a recommendation to the legislative advisory commission regarding the release of moneys appropriated in this section. Prior to making this recommendation, the commissioners shall review and evaluate each affected district's compliance with subdivision 2 and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30, 1980, shall be taken into consideration.

Subd. 4. It is the intention of the legislature that the appropriation in this section is the final appropriation to replace 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, and that no further appropriations be made for this purpose.

Sec. 27. [APPROPRIATION; LIMITED ENGLISH PROFICIENT STUDENTS PROGRAMS.] Subdivision 1. The sums set forth in this section are appropriated from the general fund to the department of education for the purposes specified in subdivisions 2 and 3 of this section and shall be available until June 30, 1981.

Subd. 2. For aid to educational programs for limited English proficient students as provided in section 16 of this article and for the department of education staff complement as provided in section 21 of this article, there is appropriated to the department of education for the fiscal year ending June 30, 1981 the sum of \$3,450,000. Of this amount, \$87,000 is to be used for the state paid complement as provided in section 21 of this article.

Subd. 3. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount for aid to districts providing educational programs for limited English proficient students appropriated in this section 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 subdivision 2 of this section for this purpose.

Sec. 28. [OUT OF SCHOOL YOUTH PROGRAMS.] For the program authorized pursuant to section 23 of this article, there is appropriated the sum of \$33,000 to the department of education for the fiscal year ending June 30, 1981. Of this amount, \$3,000 is for statewide meetings and the establishment

of a task force representing employment, training, education, juvenile justice, community service, parents and students.

Sec. 29. [HANDICAPPED ADULTS.] *Subdivision 1. The sum of \$75,000 is appropriated to the department of education for the fiscal year ending June 30, 1981 for the council on quality education to fund programs designed for adults and handicapped adults. The appropriation in this subdivision shall be added to the amount appropriated for venture fund grants for fiscal year 1981 by Laws 1979, Chapter 334, Article VII, Section 8, Subdivision 2.*

Subd. 2. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.

Sec. 30. [EFFECTIVE DATE.] *Sections 13, 23 and 28 of this article shall be effective the day following final enactment.*

ARTICLE IV

OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes, 1979 Supplement, Section 3.-9279, Subdivision 13, is amended to read:

Subd. 13. [SPECIAL CATEGORICAL PROGRAM GRANT.] For the programs funded pursuant to subdivision 12, there is hereby created a special categorical program grant for those programs serving economically disadvantaged persons. The council on quality education shall apportion the grant money among the eligible programs in proportion to the *estimated* number of *low income* participants in each program (FROM FAMILIES WHICH RECEIVE AID TO FAMILIES WITH DEPENDENT CHILDREN) compared to the *estimated* number of *low income* participants in all the eligible programs (FROM FAMILIES WHICH RECEIVE AID TO FAMILIES WITH DEPENDENT CHILDREN). For purposes of this apportionment, the *estimated* number of *low income* participants in a program shall equal the total number of participants in the program times the percentage of elementary pupils in the area served by the program who are eligible for free type "A" lunches pursuant to section 9 of the National School Lunch Act of 1946 as amended (42 U.S.C. 1758).

Sec. 2. Minnesota Statutes 1978, Section 123.932, is amended by adding a subdivision to read:

Subd. 1e. "Individualized instructional materials" means educational materials which:

(a) Are designed primarily for individual pupil use in a particular class or program in the school the pupil regularly attends;

(b) Are secular, neutral, nonideological and not capable of diversion for religious use; and

(c) Are available and are of benefit to Minnesota public school pupils.

Subject to the requirements in clauses (a), (b) and (c), "individualized instructional materials" include the following if they do not fall within the definition of "textbook" in subdivision 1b: published materials; periodicals; documents; pamphlets; photographs; reproductions; pictorial or graphic works; film strips; prepared slides; prerecorded video programs; prerecorded tapes, cassettes and other sound recordings; manipulative materials; desk charts; games; study prints and pictures; desk maps; models; learning kits; blocks or cubes; flash cards; individualized multimedia systems; prepared instructional computer software programs; and prerecorded film cartridges.

"Individualized instructional materials" do not include the following: chemicals; wall maps; wall charts; pencils, pens or crayons; notebooks; blackboards; chalk and erasers; duplicating fluids; paper; 16 mm films; unexposed films; blank tapes, cassettes or videotape; and instructional equipment.

Sec. 3. Minnesota Statutes 1978, Section 123.933, is amended to read:

123.933 [PURCHASE OR LOAN OF TEXTBOOKS, INDIVIDUALIZED INSTRUCTIONAL MATERIALS, 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 pupils in a nonpublic school, the local districts or intermediary service areas shall purchase or otherwise acquire textbooks, *individualized instructional materials* and standardized tests and loan or provide them for use by children enrolled in that nonpublic school. These textbooks, *individualized instructional materials* 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 textbooks, *individualized instructional materials* and standardized tests shall be subject to rules prescribed by the state board of education.

Subd. 2. The title to textbooks, *individualized instructional materials* 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 textbooks, *individualized instructional materials* or standardized tests are loaned or provided.

Subd. 3. (a) The cost per pupil of the textbooks, *individualized instructional materials* and standardized tests provided for in this section for each school year shall not exceed the statewide average expenditure per pupil, *adjusted pursuant to clause (b)*, by the Minnesota public elementary and secondary schools for textbooks, *individualized instructional materials* and standardized tests 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.

(b) *The cost computed in clause (a) shall be increased by an inflation adjustment equal to the percent of increase in the foundation aid formula allowance, pursuant to section 124.212, from the second preceding school year to the current school year.*

(c) The commissioner shall allot to the school districts or intermediary service areas the total cost for each school year of providing or loaning the textbooks, *individualized instructional materials* and standardized tests for the pupils in each nonpublic school (WHICH). *The allotment shall not exceed the product of the statewide average expenditure per pupil, adjusted pursuant to clause (b), multiplied by the number of nonpublic school pupils who make requests pursuant to this section and who are enrolled as of September 15 of the current school year.*

Sec. 4. Minnesota Statutes, 1979 Supplement, 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 \$3,250,000 for the purposes of sections 123.931 to 123.937. If this amount is not sufficient to make the payments required pursuant to sections 123.931 to 123.937, the amount necessary to make these payments is appropriated from the general fund to the department of education. *The amounts appropriated pursuant to this section for the year ending June 30, 1980 shall not cancel but shall be available for the second year of the biennium.*

Sec. 5. Minnesota Statutes 1978, Chapter 123, is amended by adding a section to read:

[123.947] [RESTRICTIONS TO PREVENT IMPROPER USE OF INDIVIDUALIZED INSTRUCTIONAL MATERIALS.] (a) *The department of education shall assure that individualized instructional materials loaned to nonpublic school pupils are secular, neutral, nonideological and that they are incapable of diversion for religious use.*

(b) *Individualized instructional materials shall not be used in religious courses, devotional exercises, religious training or any other religious activity.*

(c) *Individualized instructional materials shall be loaned only to individual pupils upon the request of a parent or guardian or the pupil on a form designated for this use by the department of education. The request forms shall provide for verification by the parent or guardian or pupil that the requested individualized instructional materials are for the use of the individual pupil in connection with a program of instruction in the pupil's elementary or secondary school.*

(d) *The department of education or the servicing school district or the intermediary service area shall take adequate measures to ensure an accurate and periodic inventory of all individualized instructional materials loaned to elementary and secondary school pupils attending nonpublic schools. The state board of education shall promulgate rules under the provisions of chapter 15 to terminate the eligibility of any nonpublic school pupil if the department or the servicing school district or intermediary service area determines, after notice and opportunity for hearing, that the individualized instructional materials have been used in a manner contrary to the provisions of section 2, 3 or 5 of this article or any rules promulgated by the state board of education.*

(e) *Nothing contained in section 2, 3 or 5 of this article shall be construed to authorize the making of any payments to a nonpublic school or its faculty, staff or administrators for religious worship or instruction or for any other purpose.*

Sec. 6. [SEVERABILITY.] *If any provision of section 2, 3 or 5 of this article, including the loan of any particular type of individualized instructional material shall be declared invalid, the holding shall not affect the validity of a remaining provision or the loan of any other type of individualized instructional material. If a provision of section 2, 3 or 5 of this article is invalid in one or more of its applications to a person or circumstance, the validity of the application of the provision to another person or circumstance shall not be affected.*

Sec. 7. Minnesota Statutes 1978, Section 124.214, Subdivision 2, is amended to read:

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 changed 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 changed valuations, the county auditor shall, prior to February 1 of each year, (BEGINNING IN 1979,) certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the school district during the preceding*

year. In August of each year, (BEGINNING IN 1979, WHEN THE DISTRICT'S NET REVENUE LOSS DURING THE PRECEDING YEAR EXCEEDS \$1 PER PUPIL UNIT IN THE DISTRICT IN THE MOST RECENT SCHOOL YEAR FOR WHICH DATA IS AVAILABLE,) the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 275.48. The amount of the abatement adjustment shall be the product of (1) the net revenue loss as certified by the county auditor, times (2) the ratio of the sum of the amounts of the district's levy limitations in the preceding October pursuant to section 275.125, subdivision 2a, clause (1) or (2), and (SUBDIVISION) subdivisions 5, 6c, and (SUBDIVISION 13,) 7a to the total amount of the district's maximum levy limitation in the preceding October pursuant to section 275.125. *For purposes of this computation, the district's levy limitation pursuant to section 275.125, subdivision 5, shall not include the amounts authorized to be levied for bus purchases or because of extraordinary traffic hazards.* The abatement adjustment shall be recognized as revenue in the fiscal year in which it is received.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 124.245, Subdivision 1, is amended to read:

124.245 [CAPITAL EXPENDITURE EQUALIZATION AID.] Subdivision 1. (a) *In the 1980-1981 school year, the state shall pay a school district the difference by which an amount equal to \$80 per pupil unit in that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$85 per pupil unit in that school year, exceeds the amount raised by ten mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this section in (ANY YEAR) the 1980-1981 school year, a district must have levied the full ten EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.*

(b) *In the 1981-1982 school year and each year thereafter, the state shall pay a school district the difference by which an amount equal to \$90 per pupil unit in that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this section in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.*

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 124.245, Subdivision 2, is amended to read:

Subd. 2. As used in this section, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (4), (5), (6) and (7). Beginning in the 1980-1981 school year, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5); *provided that notwithstanding the expiration of Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clauses (6) and (7), pupil units identified in those clauses shall also be included for purposes of the computation of capital expenditure aid for the 1980-1981 school year.*

Sec. 10. [CAPITAL EXPENDITURE LEVY LIMITATION, 1979.] *Notwithstanding the provisions of Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 11a, regarding pupil units, the computation of 1979 payable 1980 capital expenditure levy limitations by the department of education pursuant to that subdivision using pupil units identified in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clauses (1), (2), (4), (5), (6) and (7), and the certification of 1979 payable 1980 capital expenditure levies by districts in accordance with these levy limitations are hereby sanctioned.*

Sec. 11. [CAPITAL EXPENDITURE LEVY LIMITATION, 1980.] *Notwithstanding any law to the contrary, for any district which made its 1979 payable 1980 capital expenditure levy in an amount less than the maximum limitations computed by the department of education in order to comply with the provisions of Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 11a, regarding pupil units, the 1980 payable 1981 capital expenditure levy limitation shall be increased by the difference between the amount of the 1979 payable 1980 capital expenditure levy limitation certified by the department of education and the amount of the 1979 payable 1980 capital expenditure levy certified by the district. In order to qualify for the increased levy limitation provided by this section, the clerk of the school board of the district shall notify the commissioner in writing by September 1, 1980, stating the amount by which the district's 1979 payable 1980 capital expenditure levy was reduced, and stating the school board's desire to have its 1980 payable 1981 capital expenditure levy limitation increased accordingly.*

Sec. 12. Minnesota Statutes, 1979 Supplement, Section 124.271, Subdivision 1a, is amended to read:

Subd. 1a. In fiscal year 1980, the state shall pay the greater of 75 cents per capita or \$5,000 to each school district which is operating a community school program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or (THE MAXIMUM PERMIS-

SIBLE CERTIFIED LEVY FOR COMMUNITY SERVICES PURSUANT TO SECTION 275.125, SUBDIVISION 8, CLAUSE (1),) \$1 per capita reduced by any deduction to the community service levy made pursuant to section 275.125, subdivision 9, clause (2), for use in that year.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 124.-271, Subdivision 2, is amended to read:

Subd. 2. In fiscal year 1981 and each year thereafter, the state shall pay the greater of 75 cents per capita or \$7,000 to each school district which is operating a community school program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or (THE MAXIMUM PERMISSIBLE CERTIFIED LEVY FOR COMMUNITY SERVICES PURSUANT TO SECTION 275.125, SUBDIVISION 8, CLAUSE (1)) \$1 per capita reduced by any deduction to the community service levy made pursuant to section 275.125, subdivision 9, clause (2), for use in that year.

Sec. 14. Minnesota Statutes 1978, Section 124.65, is amended to read:

124.65 [TYPES OF SCHOOL AID.] Appropriations made for special state aid are for the (FOLLOWING) purposes (:)
enumerated in this chapter.

(FOUNDATION PROGRAM AID; EMERGENCY AID; TRANSPORTATION AID; AID FOR SPECIAL CLASSES OF HANDICAPPED CHILDREN; SCHOOL LUNCH; COUNTY TUITION EQUALIZATION AID; GROSS EARNINGS TAX REFUND, AND VOCATIONAL AID.)

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 275.-125, Subdivision 8, is amended to read:

Subd. 8. (1) (IN 1979, AND EACH YEAR THEREAFTER,) A district which has established a community school advisory council pursuant to section 121.88, may levy an amount of money raised by the greater of (A) \$2.50 per capita, or (B) *one hundred and ten percent of the amount certified pursuant to this subdivision in 1976.* These levies shall be used for community services including nonvocational adult programs, recreation and leisure time activity programs, and programs contemplated by sections 121.85 to 121.88. For purposes of computing the levy limitation pursuant to this subdivision, the amount certified pursuant to this subdivision in 1976 shall not reflect reductions pursuant to subdivision 9.

(2) A school district shall be authorized to make a levy pursuant to this subdivision only after it has filed a certificate of compliance with the commissioner of education. The certificate of compliance shall certify that the governing boards of the coun-

ty, municipality and township in which the school district or any part thereof is located have been sent 15 working days written notice of a meeting and that a meeting has been held to discuss methods of increasing mutual cooperation between such bodies and the school board. The failure of a governing board of a county, municipality or township to attend the meeting shall not affect the authority of the school district to make a levy pursuant to this subdivision.

(3) The population of the district for purposes of this subdivision is the population determined as provided in section 275.14 or as certified by the department of education from the most recent federal census.

Sec. 16. Minnesota Statutes, 1979 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) 294.26; 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 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 subdivision 2a, to the total levy allowed the district under this section 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. The amount of any levy authorized by subdivision 7a shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by subdivision 11a, *and the community service levy authorized by subdivision 8*, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to (THAT) *subdivision 11a and for community services pursuant to subdivision 8*. The reduction of the capital expenditure levy *and the community services 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 pursuant to sections 294.21 to (294.28) *294.26*; 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 amount on the designated date: on or before March 15 of each year, 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. 17. Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 11a, is amended to read:

Subd. 11a. (a) *In 1979*, a school district may levy an amount not to exceed the amount equal to \$80 per pupil unit or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$85 per pupil unit. For purposes of computing allowable levies under section 275.125, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5). No levy under this (SUBDIVISION) *clause in 1979* shall exceed ten mills times the adjusted assessed valuation of the taxable property in the district for the

preceding year, notwithstanding the provisions of sections 272.64 and 275.49.

(b) In 1980 and each year thereafter, a school district may levy an amount not to exceed the amount equal to \$90 per pupil unit or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit. In 1980 and each year thereafter, no levy under this clause shall exceed seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year, notwithstanding the provisions of sections 272.64 and 275.49.

*((B)) (c) The proceeds of the tax may be used only to acquire land, to equip and reequip buildings and permanent attached fixtures, to pay leasing fees for computer systems hardware and related proprietary software, and to pay leasing fees for photocopy machines and telecommunications equipment. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments as required pursuant to section 116H.126, and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, including but not limited to those described in section 429.101, whether levied pursuant to that section or pursuant to any other law or home rule provision. The proceeds of the tax may also be used for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped individuals. *The proceeds of the tax may also be used to make capital improvements to schoolhouses to be leased pursuant to article VI, section 17.**

((C)) (d) Subject to the commissioner's approval, the tax proceeds may also be used to rent or lease buildings for school purposes and to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the renting or leasing of buildings for school purposes and the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal with respect to the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

((D)) (e) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(E) (f) The proceeds of the tax shall not be used for custodial or other maintenance services.

Sec. 18. Minnesota Statutes 1978, Section 275.125, Subdivision 12, is amended to read:

Subd. 12. When a district finds it economically advantageous to rent or lease existing school buildings *or other buildings* for instructional purposes, and the proceeds of the levy permitted under section (124.04 OR) 275.125, subdivision 11a are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this clause shall contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use. The criteria for approval of applications to levy under this clause shall include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building, conformity of the lease to the laws and regulations of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner shall not authorize a levy under this clause in an amount greater than the cost to the district of renting or leasing a school building *or other building* for approved purposes. The proceeds of this levy shall not be used for custodial or other maintenance services.

Sec. 19. [POLICY AND PROCEDURES FOR MINIMIZING STUDENT CHEMICAL USE PROBLEMS.] *Subdivision 1. [STATEMENT OF PURPOSE.] The legislature finds that the development of local policies to minimize chemical use problems among school pupils and a report to the legislature on these local policies are necessary for the legislature to determine what further legislative action is needed to assist school districts in addressing these chemical use problems. The legislature further finds that inservice training of staff is needed to assist school district staff in dealing with pupils with chemical use problems.*

Subd. 2. During the 1980-1981 school year each school board shall adopt a comprehensive policy and procedures to minimize chemical use problems among pupils in grades kindergarten through twelve and pupils enrolled in area vocational-technical institutes.

Subd. 3. To develop the policy and procedures required by subdivision 2, each school board, citizens advisory council on community schools, or citizens task force, as applicable, is encouraged to do the following:

(a) Assess the magnitude of the chemical use problem as it affects pupils in schools of the district;

(b) Identify and evaluate existing policies and programs in the schools of the district for minimizing chemical use problems;

(c) Assess the needs of pupils for additional chemical abuse prevention, intervention, and referral programs and for support programs for pupils who have or have had chemical abuse problems;

(d) Define the role of the school in minimizing chemical use problems among pupils;

(e) Identify public and private community resources available to assist schools in minimizing chemical use problems among pupils in the district;

(f) Study the feasibility of cooperative efforts among the school district and public and private agencies, including law enforcement agencies, to minimize chemical use problems among pupils;

(g) Examine research studies for assistance in formulating the policies and procedures required pursuant to subdivision 2;

(h) Assess school district staff training needs for the program to minimize chemical use problems among pupils;

(i) Evaluate the need for community chemical abuse awareness programs;

(j) Consult with health officials and providers of chemical use treatment and rehabilitation services; and

(k) Take any other action the school board deems appropriate to develop the policy and procedures required by subdivision 2.

Subd. 4. The school board is encouraged to request that the citizens advisory council for community schools established pursuant to section 121.88, Subdivision 2 develop the policies and procedures required by subdivision 2. The school board may designate any other citizens task force to develop the policies and procedures.

Subd. 5. The department of education in cooperation with the department of welfare and the commissioner of health shall develop comprehensive community approaches to support school district efforts to reduce chemical use problems among pupils. The department of education shall provide technical assistance to school boards which request the assistance of the department in performing the duties imposed by this section.

Subd. 6. [REPORT.] By February 15, 1981, the department of education shall report to the education committees of the legislature on the policies and procedures developed by school districts pursuant to subdivision 2. The report shall include any other information deemed pertinent to the needs of school districts in their efforts to minimize chemical use problems among school pupils.

Sec. 20. [INSERVICE TRAINING; CHEMICAL USE PROBLEMS.] *Subdivision 1. Each school district which submits a written plan describing the policies and procedures required by section 19 of this article to the department of education on or before February 1, 1981 shall be eligible to participate in an inservice training program for chemical use problems. The state shall pay the greater of \$1.00 per pupil in average daily membership, as defined in section 124.17, subdivision 2, or \$1,000 to each eligible school district for the inservice training of teachers, counselors, school nurses, school social workers and other school staff employed to work with pupils and parents in chemical use problems of pupils.*

Subd. 2. The department of education shall advise eligible school districts on available options for inservice training about chemical use problems. The training shall assist teachers, counselors, school nurses, school social workers and other school staff employed to work with pupils and parents in helping pupils who may experience or who are experiencing or have experienced chemical use problems. The content of the training shall be limited to the following:

- (a) Approaches to the prevention of chemical use problems;*
- (b) Identification of pupil behavior which indicates chemical use problems;*
- (c) Intervention techniques;*
- (d) Development of support services for pupils who have completed treatment for chemical use problems;*
- (e) Options for referral of pupils for treatment of chemical use problems.*

Sec. 21. [STAFF COMPLEMENT.] *The department of education may increase its permanent staff complement by three professional positions for the purpose of providing the assistance in section 19, subdivision 5, of this article.*

Sec. 22. [INSTRUCTION TO REVISOR OF STATUTES; COMMUNITY EDUCATION TERMINOLOGY.] *In accordance with section 648.34, in the next edition of Minnesota Statutes, the revisor of statutes shall remove the reference to "com-*

community school" in sections 3.9279, subdivision 7; 120.76; 121.85; 121.86; 121.87; 121.88, subdivisions 1, 2 and 3; 124.271, subdivisions 1a, 2, 4, and 5; and 275.125, subdivision 8, and replace them with references to "community education." The revisor shall, where appropriate, delete obsolete language in these sections and make necessary grammatical corrections.

Sec. 23. [DEFICIENCY APPROPRIATION; SCHOOL LUNCH AID.] *There is appropriated from the general fund to the department of education the sum of \$162,000 for the fiscal year ending June 30, 1980, and the sum of \$160,000 for the fiscal year ending June 30, 1981, for the payment of deficiencies in funds available for school lunch aid pursuant to section 124.646 in those years. These appropriations shall be added to the sums appropriated for fiscal years 1980 and 1981 for school lunch aid in Laws 1979, Chapter 334, Article VI, Section 35, Subdivision 8.*

Sec. 24. [APPROPRIATION; CHEMICAL DEPENDENCY PROGRAMS.] *There is appropriated from the general fund to the department of education the sum of \$1,000,000 for the biennium ending June 30, 1981. This appropriation is for aid for chemical dependency programs authorized in section 20 of this article, and for the increase in department of education complement authorized in section 21 of this article. Of this amount, \$150,000 is for the increase in the staff complement in the department of education authorized in section 21 of this article. If the appropriation amount in this section is insufficient, the aid shall be prorated among all eligible districts and the state shall not be obligated for any excess amount.*

Sec. 25. [EFFECTIVE DATE.] *Sections 1, 4, 10, 12, 17, 19, 21, 23 and 24 of this article are effective the day following final enactment.*

ARTICLE V

VOCATIONAL EDUCATION

Section 1. Minnesota Statutes, 1979 Supplement, Section 124.11, Subdivision 2a, is amended to read:

Subd. 2a. *Ninety percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month beginning in July 1980. A final payment of the remainder of the post-secondary vocational instructional aid for each fiscal year shall be made to each district in September of the following fiscal year. The September 1980 payment shall be adjusted to reflect any deficit or excess in post-secondary vocational foundation aid received by a district in fiscal year 1980. The September 1981 final payment and the September final payment in each*

year thereafter shall be adjusted to reflect the actual average daily membership for the previous fiscal year. (THE FINAL PAYMENT IN SEPTEMBER 1982 AND EACH YEAR THEREAFTER SHALL BE ADJUSTED TO REFLECT THE ACTUAL ANNUAL STUDENT COUNT FOR THE PREVIOUS FISCAL YEAR. FOR) *Beginning with the 1980-1981 school year, 90 percent of the estimated post-secondary vocational instructional aid shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted in September, December, March and June to reflect any increases or decreases in enrollment. (BEGINNING WITH THE 1981-1982 SCHOOL YEAR, THE ESTIMATED POST-SECONDARY VOCATIONAL INSTRUCTIONAL AID SHALL BE PAID ON THE BASIS OF THE DEPARTMENT OF EDUCATION'S ESTIMATES OF THE CURRENT YEAR'S ANNUAL STUDENT COUNT, ADJUSTED IN SEPTEMBER, DECEMBER, MARCH AND JUNE TO REFLECT ANY INCREASES OR DECREASES IN ENROLLMENT, PURSUANT TO SECTION 124.5621, SUBDIVISION 11.)*

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 124.11, Subdivision 2b, is amended to read:

Subd. 2b. Post-secondary vocational supply aid (,) and support services aid (AND EQUIPMENT AID) shall be paid to districts in equal installments on or before August 1, (DECEMBER) *November 1*, (MARCH) *February 1*, and (JUNE) *May 1* of each year. (ADDITIONAL POST-SECONDARY VOCATIONAL SUPPLY AID, SUPPORT SERVICES AID, AND EQUIPMENT AID MAY BE DISTRIBUTED ON OR BEFORE MARCH AND JUNE 1 OF EACH YEAR IF IT IS APPORTIONED AT A CONSOLIDATED PUBLIC HEARING HELD BEFORE FEBRUARY 15 OF THAT YEAR IN THE MANNER SPECIFIED IN SECTION 124.561, SUBDIVISION 3A.) *Eighty percent of post-secondary vocational capital expenditure aid shall be paid to districts on or before August 1 of each year. The remaining 20 percent of post-secondary vocational capital expenditure aid shall be paid to districts on or before May 1 of each year.*

Sec. 3. Minnesota Statutes 1978, Section 124.11, is amended by adding a subdivision to read:

Subd. 2c. Additional post-secondary vocational supply aid, support services aid and capital expenditure aid may be distributed on or before May 1 of each year if it is apportioned at a consolidated public hearing held before February 15 of that year pursuant to section 124.561, subdivision 3a.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 124.561, Subdivision 3a, is amended to read:

Subd. 3a. [HEARING.] The consolidated public hearing held by the state board pursuant to (SUBDIVISIONS) *subdivision* 2a (AND 3) shall take place with at least six board members present and shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. In 1980 and each year thereafter the state board shall authorize the allocations of post-secondary vocational supply aid, support services aid and capital expenditure aid for the following fiscal year at this hearing. Notice of intention to hold the hearing shall be given at least 20 days prior to the date set for the hearing by United States mail to each district submitting a post-secondary vocational school budget, to other interested persons, representatives, and organizations who register their names with the commissioner of education for that purpose, and in the state register. The department of education shall make available at least one free copy of the proposed (DISPOSITION OF BUDGETS OR) allocations of aids to the education committees of the legislature and to any person requesting it. Unless the commissioner determines that the use of an audio magnetic recording device is more appropriate, a court reporter shall keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, provided that the request is in writing and the cost of preparing the transcript is borne by the requesting person. After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the commissioner of education shall proceed as promptly as possible to write a report containing the final proposed (FINAL DISPOSITION OF BUDGETS OR) allocations of aids. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the final proposed (FINAL DISPOSITION OR) allocations. The report shall be available to all affected school districts upon request for at least 15 days before the state board takes final action (DISPOSING OF THE BUDGETS OR) allocating aids. Any district which is adversely affected by the final proposed (DISPOSITION OF BUDGETS OR) allocations of aids may demand and shall be given an opportunity to be heard in support of modification of the proposed (DISPOSITION OR) allocations of aids at the meeting at which the state board takes final action (DISPOSING OF THE BUDGETS OR) allocating aids; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 124.-562, Subdivision 3, is amended to read:

Subd. 3. All (FUNDS) *moneys*, whether state, federal, or from other sources, which may be made available to the department of education for carrying out the purposes of post-secondary vocational-technical education shall be apportioned by the state board for vocational education to the various school districts in accordance with law and shall be distributed by the state aids, statistics and research section of the state depart-

ment of education. State board approval shall not be required for the adjustment of average daily membership (OR FOR THE ADJUSTMENT OF THE ANNUAL STUDENT COUNT), pursuant to section 124.11, subdivisions 2 and 2a.

Sec. 6. Minnesota Statutes, 1979 Supplement, Section 124.-562, Subdivision 4, is amended to read:

Subd. 4. Each district providing post-secondary vocational-technical education programs shall establish and maintain, *in accordance with section 121.908, separate revenue, expenditure, asset and liability accounts (SEPARATE FROM ALL OTHER DISTRICT ACCOUNTS FOR THE RECEIPT AND DISBURSEMENT OF ALL FUNDS)* related to these post-secondary vocational-technical education programs *within funds separate from all other district funds.* All post-secondary vocational aids, all (FUNDS) moneys received pursuant to the levy authorized by section 275.125, subdivision 13 *as compiled in Minnesota Statutes 1978,* and all tuition authorized by section 124.-565 shall be utilized solely for the purposes of post-secondary vocational-technical education programs.

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 124.-5621, Subdivision 11, is amended to read:

Subd. 11. (1) "Student growth or decline factor" (FOR THE 1980-1981 SCHOOL YEAR) means the following ratio, adjusted according to clause ((4)) (2):

(a) The current year's average daily membership as defined in section 124.562, subdivision 2, for a particular AVTI, divided by:

(b) The second prior year's average daily membership for that AVTI.

((2) BEGINNING IN THE 1979-1980 SCHOOL YEAR, EACH AVTI SHALL TAKE A COUNT OF ALL FULL TIME EQUIVALENT STUDENTS IN ATTENDANCE ON THE FIFTEENTH DAY OF EACH QUARTER THAT FULL TIME POST SECONDARY-VOCATIONAL PROGRAMS ARE OFFERED BY THAT AVTI. THESE QUARTERLY COUNTS SHALL BE TOEALED TO PRODUCE AN ANNUAL STUDENT COUNT.)

((3) BEGINNING IN THE 1981-1982 SCHOOL YEAR, "STUDENT GROWTH OR DECLINE FACTOR" MEANS THE FOLLOWING RATIO, ADJUSTED ACCORDING TO CLAUSE (4).)

((A) THE CURRENT YEAR'S ANNUAL STUDENT COUNT FOR A PARTICULAR AVTI, DIVIDED BY)

((B) THE ANNUAL STUDENT COUNT FOR THE SECOND PRIOR YEAR FOR THAT AVTI.)

((4)) (2) If the ratio in *clause* (1) (OR (3)) is greater than .95 but less than 1.05, the ratio shall equal 1.0. If the ratio is .95 or less, the ratio shall be adjusted by adding .05. If the ratio is 1.05 or greater, the ratio shall be adjusted by subtracting .05.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 124.5621, is amended by adding a subdivision to read:

Subd. 13. The state board for vocational education shall promulgate rules pursuant to chapter 15 which specify appropriate minimum ratios of average daily membership to each full-time staff equivalent in each of the following subject area classifications: agriculture; distributive education; health; home economics; business and office; technical; and trade and industrial.

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 124.5624, Subdivision 6, is amended to read:

Subd. 6. Before August 1, 1980 and before August 1 of each subsequent year, the commissioner shall issue a report on the capital expenditure aid allocation to each AVTI. This report shall include recommended aid allocations for each capital expenditure category and an explanation comparing the amount of the authorized capital expenditure aid allocation to the budget submitted for each AVTI. The fund balances used by the state board in determining the capital expenditure aid allocation shall be included.

Before August 1, 1980 and before August 1 of each subsequent year the commissioner shall also report on the equipment inventory of each AVTI, including original cost, (AMORTIZATION SCHEDULE AND) current value *and estimated remaining useful life.*

These reports shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 124.5625, is amended to read:

124.5625 [POST-SECONDARY VOCATIONAL CONTINGENCY FUND.] There is established a post-secondary (AND ADULT) vocational contingency fund. This fund shall be used for the start-up costs of *new full time* post-secondary vocational programs (, INCLUDING JOB TRAINING PROGRAMS PROVIDED AT THE REQUEST OF INDUSTRY. THIS FUND SHALL ALSO BE USED FOR SHORT TERM TRAINING OF

EMPLOYEES AT THE REQUEST OF BUSINESS AND INDUSTRY, WHEN THAT TRAINING IS SPECIALIZED AND NOT AVAILABLE FROM ANY OTHER SOURCE). The (COMMISSIONER) *state board for vocational education* shall establish rules for the administration of this fund. The rules shall conform, where applicable, to the rules and procedures for the approval of new post-secondary (AND ADULT) vocational programs.

Sec. 11. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.5626] [ADULT NEW JOBS FUND.] *There is established a new jobs fund. This fund shall be used for the short term training of employees at the request of business and industry, when that training is specialized and not available from any other source. The state board for vocational education shall establish rules for the administration of this fund. The rules shall conform, where applicable, to the rules and procedures for the approval of new adult vocational programs.*

Sec. 12. Minnesota Statutes, 1979 Supplement, Section 124.-565, Subdivision 3, is amended to read:

Subd. 3. Tuition at a post-secondary vocational-technical school for a Minnesota resident pupil shall be \$128 per quarter for each quarter the pupil is enrolled (; EXCEPT THAT THERE SHALL BE NO CHARGE FOR TUITION FOR A PERSON WHO, PRIOR TO JULY 1, 1978, ENTERED ACTIVE MILITARY SERVICE IN A BRANCH OF THE ARMED FORCES OF THE UNITED STATES AND WHO, UNDER THE LAWS IN EFFECT AT THE TIME OF HIS INDUCTION INTO THE ARMED FORCES, WOULD BE ELIGIBLE TO ATTEND A POST-SECONDARY VOCATIONAL-TECHNICAL SCHOOL WITHOUT PAYMENT OF TUITION). A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 124.-565, Subdivision 6, is amended to read:

Subd. 6. For purposes of the tuition charges established in this section, a quarter shall consist of 60 school days. The state board for vocational education shall adopt rules providing for proportionate tuition charges for quarters which are shorter or longer than 60 days (AND), for (PUPILS WHO ENROLL ON A) part time (OR) and extended day (BASIS) enrollment, and for programs which begin or end during a quarter. The state board shall adopt rules providing for tuition charges based on approved program lengths for programs offered on an individualized basis.

Sec. 14. Minnesota Statutes 1978, Section 124.565, is amended by adding a subdivision to read:

Subd. 7. A veteran who is a Minnesota resident shall be exempt from the tuition required by subdivision 3 until the veteran has completed the lesser of (a) 360 post-secondary vocational-technical school days, or the equivalent as determined by the state board for vocational education, or (b) one post-secondary vocational-technical school program which the veteran began after the effective date of this subdivision.

"Veteran" for the purpose of this subdivision means a person who entered active military service in any branch of the armed forces of the United States after July 1, 1961 and before July 1, 1978, was a Minnesota resident at the time of induction into the armed forces and for the six months immediately preceding induction, and has been separated or discharged from active military service under conditions other than dishonorable. This subdivision shall not apply to a veteran whose tuition is paid for by any federal or state agency.

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 124.566, is amended to read:

124.566 [USE OF POST-SECONDARY VOCATIONAL AID APPROPRIATIONS.] Notwithstanding the provisions of section 16A.57 or any other law to the contrary, the state board for vocational education may expend amounts appropriated by the legislature for post-secondary vocational categorical aid to pay post-secondary vocational foundation aid for the 1979-1980 school year if the appropriation for post-secondary vocational foundation aid is insufficient because of an increase in average daily membership. *Beginning with the 1980-1981 school year, the state board may expend amounts appropriated by the legislature for post-secondary vocational support services aid to pay post-secondary vocational instructional aid (IN THE 1980-1981 SCHOOL YEAR) if the appropriation for post-secondary vocational instructional aid is insufficient because of an increase in average daily membership (, OR IN THE 1981-1982 SCHOOL YEAR, AND EACH YEAR THEREAFTER, WHEN THE APPROPRIATION FOR POST SECONDARY-VOCATIONAL INSTRUCTIONAL AID IS INSUFFICIENT BECAUSE OF AN INCREASE IN THE ANNUAL STUDENT COUNT.)* Beginning in the 1980-1981 school year, the state board may expend amounts appropriated by the legislature for post-secondary vocational instructional aid to pay post-secondary vocational support services aid in any year when the state board determines that the appropriation for instructional aid is excessive. On the date of any expenditure pursuant to this section, the state board shall report the expenditure to the appropriate committees of the legislature.

Sec. 16. Minnesota Statutes, 1979 Supplement, Section 124.572, Subdivision 2, is amended to read:

Subd. 2. The state shall pay to any district or cooperative vocational center 75 percent of the salaries paid to essential, licensed personnel or *personnel exempt from licensure pursuant to section 18 of this article* in that school year for services rendered in that district's or center's adult vocational education programs. In addition, the state shall pay 50 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The commissioner may withhold all or any portion of this aid for an adult vocational education program which receives (FUNDS) *moneys* from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to (FUNDS) *moneys* from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Sec. 17. Minnesota Statutes 1978, Section 124.572, Subdivision 7, is amended to read:

Subd. 7. Each district providing adult vocational education shall establish and maintain separate, *accurate and detailed revenue and expenditure* accounts (FOR THE RECEIPT AND DISBURSEMENT OF ALL FUNDS) related to these adult vocational education programs. All adult vocational education aid received by the district from any source shall be utilized solely for the purposes of adult vocational education programs.

Sec. 18. Minnesota Statutes 1978, Chapter 125, is amended by adding a section to read:

[125.031] [LICENSURE, AREA VOCATIONAL-TECHNICAL SCHOOL INSTRUCTORS TEACHING LESS THAN SIX HOURS A QUARTER.] *Notwithstanding section 125.03, subdivision 1, a person who teaches in an adult vocational-technical education program not more than six hours per quarter is exempt from a license requirement.*

Sec. 19. Minnesota Statutes 1978, Section 275.125, is amended by adding a subdivision to read:

Subd. 14a. *A district maintaining a post-secondary area vocational technical institute may levy for its local share of the cost of construction of facilities for the post-secondary area vocational-technical institute as provided in this subdivision.*

(1) *The construction must be authorized by a specific legislative act pursuant to section 121.21, subdivision 4a, after January 1, 1980. The specific legislative act must require that 85 percent of the cost of construction for post-secondary vocational purposes shall be financed by the state and that 15 percent of the cost of construction for post-secondary vocational purposes*

shall be financed by the school district operating the post-secondary area vocational-technical institute.

(2) The district may levy an amount equal to the local share of the cost of construction for post-secondary vocational purposes, minus the amount of any unappropriated net balance in the district's post-secondary vocational-technical building construction fund. A district may levy the total amount authorized by this subdivision in one year, or a proportionate amount of the total authorized amount each year for up to three successive years.

(3) By the July 1 before a district certifies the first levy pursuant to this subdivision for the local share of any construction project, at least three weeks published notice of the proposed levy shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the purpose of the proposed levy, the duration of the proposed levy and the amount of the proposed levy in dollars and mills. Upon petition within 20 days after the notice of the greater of (a) 50 voters, or (b) 15 percent of the number of voters who voted in the district at the most recent regular school board election, the board shall call a referendum on the proposed levy. The referendum shall be held on a date set by the school board, but no later than the August 20 before the levy is certified. The question on the ballot shall state the amount of the proposed levy in mills on the district's adjusted assessed valuation and in dollars in the first year of the proposed levy.

(4) For the purposes of this subdivision, "construction" includes the acquisition and betterment of land, buildings and capital improvements for post-secondary area vocational-technical institutes.

(5) A district may not levy for the cost of a construction project pursuant to the subdivision if it issues any bonds to finance any costs of the project.

Sec. 20. Minnesota Statutes, 1979 Supplement, Section 353.01, Subdivision 2b, is amended to read:

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

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

(b) Election officers.

(c) Independent contractors and their employees.

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

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

(f) Employees who hold positions of an essentially temporary or seasonal character, provided such employment does not continue for a period in excess of 120 working days in any calendar year. Immediately following the expiration of such 120 working days if such employees continue in public service and earn in excess of \$250 in any one calendar month, the department heads must then report all such employees for membership and must cause employee contributions to be made on behalf of such employees in accordance with section 353.27, subdivision 4, and they shall remain members until termination of public service.

(g) Part-time employees other than firefighters who receive monthly compensation not exceeding \$250, and part-time employees other than firefighters and elected officials whose annual compensation is stipulated in advance to be not more than \$3,000 per year, except that members shall continue their membership until termination of public service.

(h) Persons who first occupy an elected office after March 1, 1978, the compensation for which does not exceed \$250 per month.

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

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

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

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

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

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

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

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

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

(r) Town, city or county assessors elected or appointed pursuant to chapter 273 who do not receive compensation in excess of \$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.

(s) Volunteer firefighters as defined in subdivision 34.

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

(u) A person exempt from licensure pursuant to section 18 of this article.

Sec. 21. Minnesota Statutes 1978, Section 354.05, Subdivision 2, as amended by Laws 1980, Chapter 342, Section 8, is amended to read:

Subd. 2. [TEACHER.] The word "teacher" includes any person who has rendered, is rendering, or shall hereafter render, service as a teacher, supervisor, principal, superintendent, or librarian in the public schools of the state, located outside of the corporate limits of the cities of the first class, in the state universities, or in any charitable or state institution including penal and corrective institutions supported, in whole or in part, by public funds, or who has been engaged, is engaged, or shall hereafter be engaged, in educational administration in connection with the state public school system, including the state university system and state community college system, but excluding the university of Minnesota, whether the position be a public office or an employment, not including members of any general governing or managing board or body connected with such systems, or the officers of common, independent, special, or associated school districts, or unorganized territory. The term shall also include an employee of the teachers retirement association employed subsequent to July 1, 1969, and any nurse, counselor, social worker or psychologist who has rendered, is rendering or shall hereafter render service in the public schools as defined above or in state universities. The term shall also include any person who renders teaching service on a part time basis and who also renders other services for a school district. In such cases, the teachers retirement association shall have the authority to determine whether all or none of such combined employment will be covered by the teachers retirement association. The term does not mean any person who works for such school or institution as an independent contractor. (THE TERM ALSO DOES NOT MEAN A PERSON WHO WORKS FOR A SCHOOL OR INSTITUTION ON A PART TIME BASIS PROVIDED: (1) THE PERSON WAS NOT REQUIRED TO MAKE CONTRIBUTIONS TO THE FUND DURING THE CURRENT FISCAL YEAR; (2) THE PERSON HAS CERTIFIED THAT HE HAS ESTABLISHED AND IS CONTRIBUTING TO AN INDIVIDUAL RETIREMENT ACCOUNT BASED ON NON-TEACHING EMPLOYMENT; AND (3) THE CERTIFICATION IS MADE ANNUALLY ON A FORM PRESCRIBED BY THE EXECUTIVE DIRECTOR.) The term shall not include any person employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act from and after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing on forms prescribed by the executive director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal comprehensive training and employment act, or the person agrees in writing on forms prescribed by the executive director to make the required employer contribution in addition to the required employee contribution. *The term shall not include any person hold-*

ing a part time adult supplementary vocational-technical school license who renders part time teaching service in a vocational-technical school if (1) the service is incidental to the regular nonteaching occupation of the person; and (2) the applicable vocational-technical school stipulates annually in advance that the part time teaching service will not exceed 300 hours in a fiscal year; and (3) the part time teaching service actually does not exceed 300 hours in a fiscal year. The term also shall not include a person exempt from licensure pursuant to section 18 of this article.

Sec. 22. Minnesota Statutes, 1979 Supplement, Section 354A.-011, Subdivision 27, is amended to read:

Subd. 27. [TEACHER.] "Teacher" means any person who renders service in a public school district located in the corporate limits of one of the cities of the first class which was so classified on January 1, 1979 as any of the following:

(a) a full time employee in a position for which a valid license from the state board of education is required;

(b) an employee of the teachers retirement fund association located in the city of the first class unless the employee has exercised the option pursuant to Laws 1955, Chapter 10, Section 1, to retain membership in the Minneapolis municipal employees retirement fund established pursuant to chapter 422A;

(c) a part time employee in a position for which a valid license from the state board of education is required who also renders other non-teaching services for the school district unless the board of trustees of the teachers retirement fund association determines that the combined employment is on the whole so substantially dissimilar to teaching service that the service shall not be covered by the association.

The term shall not mean any person who renders service in the school district as any of the following:

(1) an independent contractor or the employee of an independent contractor;

(2) a part time employee who, in the calendar year, has certified that he has established and is contributing to an individual retirement account established pursuant to federal law where certification is provided annually or upon request on a form prescribed by the board of the teachers retirement fund association;

(3) for the Duluth and St. Paul teachers retirement fund associations, and for the Minneapolis teachers retirement fund association, unless the person is designated by the board of education of special school district number 1 pursuant to section

356.451 as a provisional member of the teachers retirement fund association, a person employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act from and after March 30, 1978, unless the person has as of the later of March 30, 1978, or the date of employment, sufficient service credit in the teachers retirement fund association to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal comprehensive employment and training act, or the person agrees in writing to make the required employer contributions, including any employer additional contributions, in addition to the required employee or member contributions;

(4) an employee who is a full time teacher covered by another teachers retirement fund association established pursuant to this chapter (.);

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

(6) an employee exempt from licensure pursuant to section 18 of this article.

Sec. 23. [CONTINGENCY FUND APPROPRIATION USE.] *Notwithstanding Laws 1979, Chapter 334, Article V, Section 31, the remaining funds in the appropriation for the contingency fund are immediately available to the department of education of which \$70,000 is for the short term training of employees at the request of business and industry pursuant to section 11 of this article, and at least \$130,000 is available for start-up costs of new full time post-secondary vocational programs.*

Sec. 24. [REPEALER.] *Laws 1979, Chapter 334, Article V, Section 29, Subdivision 4, is repealed. Minnesota Statutes, Section 124.562, Subdivision 2, remains effective.*

Sec. 25. *Laws 1979, Chapter 334, Article V, Section 32, Subdivision 6, is amended to read:*

Subd. 6. [POST-SECONDARY VOCATIONAL SUPPORT SERVICES AID.] *For post-secondary vocational support services aid there is appropriated:*

(\$18,706,800) \$19,206,800 1981.

This appropriation is based on the assumption that the state will spend for post-secondary vocational support services aid an amount equal to (\$6,886,400) \$6,386,400 in fiscal year 1981 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Sec. 26. Laws 1979, Chapter 334, Article V, Section 32, Subdivision 7, is amended to read:

Subd. 7. [POST-SECONDARY VOCATIONAL CAPITAL EXPENDITURE AID.] For post-secondary vocational capital expenditure aid there is appropriated:

\$9,000,000 1980,

(\$9,000,000) \$8,500,000 1981.

This appropriation is based on the assumption that the state will spend for post-secondary vocational capital expenditures an amount equal to \$500,000 in fiscal year 1981 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Sec. 27. [EFFECTIVE DATE.] Sections 4, 8, 9, 10, 11, 13, 23 and 24 of this article shall be effective the day following final enactment.

ARTICLE VI

MISCELLANEOUS

Section 1. Minnesota Statutes, 1979 Supplement, Section 120.075, is amended by adding a subdivision to read:

Subd. 1a. Any pupil who, pursuant to section 123.39, subdivision 5, has continuously been enrolled since January 1, 1977 in a school district of which he was not a resident may continue in enrollment in that district, and that district shall be considered the pupil's district of residence.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 120.075, is amended by adding a subdivision to read:

Subd. 3a. Any child who was born on or before January 1, 1978 but who was adopted after January 1, 1978 and whose adoptive parent on January 1, 1978 owned property residence upon which would have qualified the child for enrollment pursuant to Minnesota Statutes 1976, Section 120.065, in a school district of which the child was not a resident may enroll in that district.

Any child who was born on or before January 1, 1978 but who was adopted after January 1, 1978 and whose adoptive parent on January 1, 1978 owned or was a tenant upon property so as to qualify a child for enrollment pursuant to Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, in a school district of which the child was not a resident may enroll in that district.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 120.075, Subdivision 4, as amended by Laws 1980, Chapter 375, Section 1, is amended to read:

Subd. 4. Subdivisions 1, 1a, 2 (AND), 3 and 3a shall also apply to any brother or sister of a qualified pupil who is related to that pupil by blood, adoption or marriage and to any foster child of that pupil's parents. The enrollment of any pupil pursuant to (THIS SECTION) subdivision 1, 2, 3 or 3a and of a brother or sister of that pupil or of a foster child of that pupil's parents pursuant to this subdivision shall remain subject to the provisions of Minnesota Statutes 1976, Section 120.065 and Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, as they read on (EITHER) January 1, 1978 (, OR APRIL 5, 1978).

Sec. 4. Minnesota Statutes 1978, Chapter 120, is amended by adding a section to read:

[120.075] [STATE BOARD OF EDUCATION.] *Subdivision 1. [ENROLLMENT EXCEPTIONS.] The state board of education may permit a pupil who enrolls in a school district of which he is not a resident to be deemed a resident pupil of that district pursuant to this section.*

Subd. 2. The pupil or his parent or guardian shall make application to the state board, explaining the particular circumstances which make the nonresident district the appropriate district of attendance for the pupil. The application must be signed by the pupil's parent or guardian and the superintendent of the nonresident district.

Subd. 3. In granting or denying the application the state board of education shall consider the following criteria:

(a) whether attending school in the district of residence creates a particular hardship for the pupil; and

(b) whether the circumstances of the pupil are similar or analogous to the exceptions permitted by section 120.075.

Subd. 4. The state board of education shall render its decision in each case within 60 days of receiving the application in subdivision 2.

Subd. 5. The department of education shall provide the forms required by subdivision 2. These forms shall be available on or before July 31, 1980. The state board shall consider any application received by it on August 1, 1980, or thereafter. The state board of education shall adopt the procedures necessary to implement this section.

Sec. 5. Minnesota Statutes 1978, Chapter 120, is amended by adding a section to read:

[120.0752] [A G R E E M E N T S B E T W E E N S C H O O L B O A R D S ; E N R O L L M E N T E X C E P T I O N S .] *Subdivision 1. A pupil may enroll in a school district of which he is not a resident and be deemed a resident pupil of that district pursuant to this section.*

Subd. 2. The pupil's parent or guardian must receive the approval of the school board of the nonresident district and the school board of the resident district. The approval shall be on a form provided by the department of education. The superintendent of the nonresident district shall forward a copy of this form to the department of education within ten days of its approval. If the student withdraws his enrollment from the nonresident district the superintendent of that district shall report the fact to the department of education.

Sec. 6. Minnesota Statutes 1978, Chapter 120, is amended by adding a section to read:

[120.68] [F O U R D A Y S C H O O L W E E K .] *The state board of education, pursuant to sections 120.59 to 120.67, shall promulgate rules pursuant to chapter 15 permitting districts requesting to operate a four day week to qualify for a flexible school year program. The rules shall not apply to a school district located entirely within the seven county metropolitan area.*

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 121.912, Subdivision 1, is amended to read:

121.912 [P E R M A N E N T F U N D T R A N S F E R S .] *Subdivision 1. (AFTER JULY 1, 1977,) No school district shall permanently transfer money from an operating fund to a nonoperating fund except as provided in this subdivision. 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. Permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. When a district discontinues operation of a district-owned bus fleet, permanent transfers may be made from the fund balance account entitled "pupil transportation fund appropriated for bus purchases" to the capital expenditure fund, with the approval of the commissioner; provided, the levy authorized pursuant to section 275.125;*

subdivision 11a, shall be reduced by an amount equal to the amount transferred. Permanent transfers may be made from the general fund to the capital expenditure fund of a post-secondary vocational-technical school in the amount and for the purposes authorized by the state board for vocational education in approving the school's budget pursuant to section 124.561; provided, the state board shall not approve any permanent transfer for the purpose of an acquisition or betterment of lands or buildings or a capital improvement which requires the expenditure of an amount equal to or greater than \$50,000, which changes the perimeter walls of an existing facility, which adds more than 1,000 square feet to a post-secondary vocational facility, or which requires the issuance of school district bonds; provided further, the state board shall not approve the permanent transfer for any other purpose of any amount which exceeds \$150,000.

Sec. 8. Minnesota Statutes 1978, Section 121.912, is amended by adding a subdivision to read:

Subd. 3. For the purposes of this section, a permanent transfer includes creating a deficit in a nonoperating fund for a period past the end of the current fiscal year which is covered by moneys in an operating fund.

Sec. 9. Minnesota Statutes 1978, Section 122.22, Subdivision 2, is amended to read:

Subd. 2. Proceedings under this section may be instituted by:

(a) Resolution of the county board of the county containing the greatest land area of the district proposed for dissolution when (SUCH) *the* district is dissolved pursuant to sections 122.32 to 122.52.

(b) Petition executed by a majority of the (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a,* of the district proposed for dissolution and addressed to the county board of the county containing the greatest land area of the district.

(c) Certification by the clerk of the district proposed for dissolution to the county board of the county containing the greatest land area of the district to the effect that a majority of votes cast at an election were in favor of dissolving the district.

Sec. 10. Minnesota Statutes 1978, Section 122.22, Subdivision 4, is amended to read:

Subd. 4. Petition executed pursuant to subdivision 2(b) shall be filed with the auditor and shall contain:

(a) A statement that petitioners desire proceedings instituted leading to dissolution of the district and other provisions made for the education of the inhabitants of the territory (;) and that petitioners are (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a, of the district.*

(b) An identification of the district.

(c) The reasons supporting the petition which may include recommendations as to disposition of territory to be dissolved. (SUCH) *The recommendations are advisory in nature only and are not binding on any petitioners or county board for any purpose.*

(d) The persons circulating the petition shall attach their affidavit swearing or affirming that the persons executing the petition are (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a, of the district and that they signed in the presence of one of the circulators.*

(e) The auditor shall present the petition to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing not less than ten nor more than 60 days from the date of that meeting.

Sec. 11. Minnesota Statutes 1978, Section 122.23, Subdivision 9, is amended to read:

Subd. 9. If the approved plat contains land area in more than one independent district maintaining a secondary school, or common district maintaining a secondary school, and if each board entitled to act on the plat approves the plat, each (SUCH) board shall cause notice of its action to be published at least once in its official newspaper. If five percent of the (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a, of any such district (SHALL) petition the clerk of the district, within 30 days after the publication of (SUCH) the notice, for an election on the question, the consolidation shall not become effective until approved by a majority vote in (SUCH) the district at an election held in the manner provided in subdivisions 11, 12 and 13.*

Sec. 12. Minnesota Statutes 1978, Section 122.23, Subdivision 10, is amended to read:

Subd. 10. If an approved plat contains land area in any district not entitled to act on approval or rejection of the plat by action of its board, the plat may be approved by the residents of (SUCH) *the land area within 60 days of approval of plat by the state board in the following manner:*

A petition calling upon the county auditor to call and conduct an election on the question of adoption or rejection of the plat may be circulated in (SUCH) *the* land area by any person residing in (SUCH AREAS) *the* area. Upon the filing of (SUCH) *the* petition with the county auditor, executed by at least 25 percent of the (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a*, in each district or part of a district contained in (SUCH) *the* land area, the county auditor shall forthwith call and conduct a special election of the electors resident in the whole land area on the question of adoption of the plat. For the purposes of this section, the term "electors resident in the whole land area" means (AND SHALL BE CONSTRUED TO INCLUDE) any person (OR PERSONS) residing on any remaining portion of land, a part of which is included in the consolidation plat. Any (FREEHOLDER) *eligible voter, as defined in section 123.32, subdivision 1a*, owning land included in (SUCH) *the* plat who lives upon land adjacent or contiguous to that part of his land included in (SUCH) *the* plat shall be included and counted in computing the 25 percent of the (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a*, necessary to sign (SUCH) *the* petition and shall also be qualified to sign (SUCH) *the* petition. Failure to file (SUCH) *the* petition within 60 days of approval of *the* plat by the state board terminates the proceedings.

Sec. 13. Minnesota Statutes 1978, Section 122.25, Subdivision 1, is amended to read:

122.25 [COMMON DISTRICT TO INDEPENDENT DISTRICT.] Subdivision 1. If six or more (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a*, of a common district desire to change the organization of their district to an independent district, they may call for a vote upon the question at the next annual meeting by filing a petition therefor with the clerk. In the notice for the meeting, the clerk shall include a statement that the question will be voted upon at the meeting.

Sec. 14. Minnesota Statutes, 1979 Supplement, Section 122.541, Subdivision 5, is amended to read:

Subd. 5. If compatible plans are not negotiated pursuant to subdivision 4 before the (JUNE) *March* 1 preceding any year of the agreement permitted by subdivision 1, the cooperating districts shall be governed by the provisions of this subdivision. Insofar as possible, teachers who have acquired continuing contract rights and whose positions are discontinued as a result of the agreement shall be employed by a cooperating district or assigned to teach in a cooperating district as exchange teachers pursuant to section 125.13. If necessary, teachers whose positions are discontinued as a result of the agreement and who have acquired continuing contract rights shall be placed on unrequested

leave of absence in fields in which they are licensed in the inverse order in which they were employed by a cooperating district, according to a combined seniority list of teachers in the cooperating districts.

Sec. 15. Minnesota Statutes 1978, Section 123.11, Subdivision 7, is amended to read:

Subd. 7. Upon the filling of a petition therefor, executed by five (RESIDENT FREEHOLDERS) *eligible voters, as defined in section 123.32, subdivision 1a*, of the common district, specifying the business to be acted upon, or upon the adoption of a proper resolution (,) so specifying, signed by a majority of the members of the board, the clerk shall forthwith call a special meeting of the district upon ten days' posted notice and one week's published notice if there be a newspaper printed in (SUCH) *the* district and specify in (SUCH) *the* notice the business named in (SUCH) *the* request or resolution and the time and place of the meeting. If there be no clerk in the district or if he fails for three days after receiving (SUCH) *a* request or resolution to give notice of (SUCH) *a* meeting, it may be called by like notice by five (FREEHOLDERS QUALIFIED TO VOTE) *eligible voters, as defined in section 123.32, subdivision 1a*, of the district. No business except that named in the notice shall be transacted at (SUCH) *the* meeting. If there are not five (VOTERS WHO ARE FREEHOLDERS IN THE DISTRICT) *eligible voters, as defined in section 123.32, subdivision 1a*, or if there is not a board therein, the county (SUPERINTENDENT) *auditor* may call a special meeting by giving notice thereof as provided in this section. The voters at a special meeting have power to repeal or modify their proceedings.

Sec. 16. Minnesota Statutes 1978, Section 123.35, Subdivision 5, is amended to read:

Subd. 5. The board shall employ and contract with necessary qualified teachers and discharge the same for cause (, BUT NO SUBSTITUTE TEACHER SHALL BE HIRED EXCEPT TO REPLACE A REGULAR TEACHER ON LEAVE OF ABSENCE OR IN AN EMERGENCY OF LESS THAN ONE SCHOOL YEAR'S DURATION). *The board shall not hire a substitute teacher except:*

(a) *For a duration of time of less than one school year to replace a regular teacher who is absent; or*

(b) *For a duration of time equal to or greater than one school year to replace a regular teacher on a leave of absence.*

If a substitute teacher is hired pursuant to clause (b), each full school year during which the teacher is employed by a district pursuant to that clause shall be deemed one year of the teacher's

probationary period of employment pursuant to either section 125.12, subdivision 3, or section 125.17, subdivision 2. The teacher shall be eligible for continuing contract status pursuant to section 125.12, subdivision 4, or tenure status pursuant to section 125.17, subdivision 3, after completion of the applicable probationary period.

Sec. 17. Minnesota Statutes 1978, Section 123.36, Subdivision 10, is amended to read:

Subd. 10. (a) The board may lease a schoolhouse which is not needed for school purposes to any person or organization. The board may charge and collect reasonable consideration for the lease and may determine the terms and conditions of the lease.

(b) In districts with outstanding bonds, the net proceeds of the lease shall be (USED) first (PURSUANT TO SECTION 475.61, SUBDIVISION 3, TO REDUCE THE LEVY AUTHORIZED FOR PAYMENTS FOR BONDS ISSUED AND FOR INTEREST THEREON PURSUANT TO SECTION 275.125, SUBDIVISION 4) deposited in the debt retirement fund of the district in an amount sufficient to meet when due the principal and interest payments for all outstanding bonds. Any remaining net proceeds in these districts and all net proceeds of the lease in districts without outstanding bonds shall be (USED TO REDUCE THE LEVY AUTHORIZED FOR GENERAL AND SPECIAL SCHOOL PURPOSES BY SECTION 275.125, SUBDIVISION 2A) deposited in the capital expenditure fund of the district.

(c) The board may make capital improvements to a schoolhouse or a portion thereof, not exceeding in cost the replacement value of the schoolhouse, to facilitate its rental, and the lease of an improved schoolhouse shall provide for rentals which will recover the cost of the improvements over the initial term of the lease. Notwithstanding clause (b), the portion of the rentals representing the cost of the improvements shall be deposited in the capital expenditure fund of the district and the balance of the rentals shall be used as provided in clause (b).

Sec. 18. Minnesota Statutes 1978, Section 123.36, is amended by adding a subdivision to read:

Subd. 12. Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount sufficient to meet when due the principal and interest payments for all outstanding bonds. Any remaining proceeds in these districts of the sale or exchange

and all proceeds in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(2) Notwithstanding clause (1), a district with outstanding bonds which sells a building or property in order to purchase a replacement, may apply to the commissioner to place proceeds of the sale in its capital expenditure fund in an amount necessary to purchase the replacement; provided the district places an amount in its debt retirement fund sufficient to meet when due the principal and interest payments for all outstanding bonds on the particular building or property which is sold.

Sec. 19. Minnesota Statutes 1978, 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,) law 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.

Sec. 20. Minnesota Statutes 1978, Section 123.932, is amended by adding a subdivision to read:

Subd. 3a. "Nonsectarian nonpublic school" means any nonpublic school as defined in subdivision 3, which is not church related, is not controlled by a church, and does not promote a religious belief.

Sec. 21. Minnesota Statutes 1978, Section 123.932, Subdivision 9, is amended to read:

Subd. 9. "Neutral site" means a public center, a nonsectarian nonpublic school, 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. 22. Minnesota Statutes, 1979 Supplement, Section 124.247, Subdivision 3, is amended to read:

Subd. 3. [AID.] A district which establishes a program for gifted and talented students shall receive for the purpose of this program an amount equal to \$30 times the number of gifted and talented students in the district. No more than 2-1/2 percent of the students enrolled in the district shall be counted as gifted and talented for the purpose of aid computations pursuant to this

subdivision. No more than five percent of the (FUNDS) moneys received by a district pursuant to this subdivision may be expended for the purpose of administration of the program for gifted and talented students.

Sec. 23. Minnesota Statutes, 1979 Supplement, Section 124.-247, Subdivision 4, is amended to read:

Subd. 4. [ACCOUNTS.] A district which receives (FUNDS) moneys under this section shall, *in accordance with section 121.908*, maintain (A) separate (ACCOUNT FOR THE RECEIPT AND DISBURSEMENT OF FUNDS) *revenue and expenditure accounts which accurately reflect any state moneys* allocated to the district for the purpose of this section, and the (FUNDS) moneys shall be spent only for the purpose of the program for gifted and talented students.

Sec. 24. Minnesota Statutes 1978, Section 125.12, Subdivision 2, is amended to read:

Subd. 2. [HIRING, DISMISSING.] School boards shall hire or dismiss teachers at duly called meetings. Where a husband and wife, brother and sister, or two brothers or sisters, constitute a quorum, no contract employing a teacher shall be made or authorized except upon the unanimous vote of the full board. No teacher related by blood or marriage, within the fourth degree, computed by the civil law, to a board member shall be employed except by a unanimous vote of the full board. The *initial employment of the teacher in the district* shall be by written contract, signed by the teacher and by the chairman and clerk. *All subsequent employment of the teacher in the district shall be by written contract, signed by the teacher and by the chairman and clerk, except where there is a master agreement covering the employment of the teacher.* Contracts for teaching or supervision of teaching can be made only with qualified teachers. (SUCH CONTRACT SHALL SPECIFY THE WAGES PER YEAR AND THE GENERAL ASSIGNMENT OF THE TEACHER. A TEACHER SHALL HAVE 10 DAYS AFTER RECEIPT TO CONSIDER, DEMAND CORRECTIONS, EXECUTE AND RETURN SUCH CONTRACT, BUT THIS PERIOD SHALL NOT BE CONSTRUED TO BE AN EXTENSION OF THE FINAL RESIGNATION DATE IN SUBDIVISION 4.) No teacher shall be required to reside within the employing school district as a condition to teaching employment or continued teaching employment.

Sec. 25. Minnesota Statutes 1978, Section 125.12, Subdivision 9, is amended to read:

Subd. 9. [HEARING PROCEDURES.] Any hearing held pursuant to this section shall be held upon appropriate and timely notice to the teacher, and *any hearing held pursuant to subdivision 6 or 8* shall be private or public at the discretion of

the teacher. *A hearing held pursuant to subdivision 6b shall be public and may be consolidated by the school board. At the hearing, the board and the teacher may each be represented by counsel at its or his own expense, and such counsel may examine and cross-examine witnesses and present arguments. The board shall first present evidence to sustain the grounds for termination or discharge and then receive evidence presented by the teacher. Each party may then present rebuttal evidence. Dismissal of the teacher shall be based upon substantial and competent evidence in the record. All witnesses shall be sworn upon oath administered by the presiding officer of the board. The clerk of the board shall issue subpoenas for witnesses or the production of records pertinent to the grounds upon the request of either the board or the teacher. The board shall employ a court reporter to record the proceedings at the hearing, and either party may obtain a transcript thereof at its own expense.*

Sec. 26. Minnesota Statutes 1978, Section 125.182, Subdivision 1, is amended to read:

125.182 [DEFINITIONS.] Subdivision 1. For the purpose of (LAWS 1973, CHAPTER 749) sections 125.181 to 125.185, the (WORDS, PHRASES AND) terms defined in this section shall have the meanings ascribed to them.

Sec. 27. Minnesota Statutes 1978, Section 125.60, is amended by adding a subdivision to read:

Subd. 8. [HEALTH CARE BENEFITS.] A teacher on an extended leave of absence shall receive all of the health, accident, medical, surgical and hospitalization insurance or benefits, for both the teacher and the teacher's dependents, for which the teacher would otherwise be eligible if not on an extended leave, if such coverage is available from the school district's insurer, if the teacher requests the coverage, and if the teacher either (a) reimburses the district for the full amount of the premium necessary to maintain the coverage within one month following the district's payment of the premium, or (b) if the district is wholly or partially self-insured, pays the district, according to a schedule agreed upon by the teacher and the school board, an amount determined by the school board to be the amount that would be charged for the coverage chosen by the teacher if the school board purchased all health, accident, medical, surgical and hospitalization coverage for its teachers from an insurer.

Sec. 28. Minnesota Statutes 1978, Chapter 125, is amended by adding a section to read:

[125.611] [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, second-

ary or area vocational-technical schools in the state, who has not less than 15 total years of full time teaching service in elementary, secondary and area vocational-technical schools, and who has or will have attained the age of 55 years but less than 65 years as of the June 30 in the school year during which an application for an early retirement incentive is made.

Subd. 2. For purposes of this section, "retirement" means termination of services in the employing district and withdrawal from active teaching service.

Subd. 3. A teacher meeting the requirements of subdivision 1 may apply to the school board of the employing district for a contract for termination of his services, withdrawal from active teaching service, and payment of an early retirement incentive. This application shall be submitted on or before June 1 of the school year at the end of which the teacher wishes to retire, and shall be submitted on the form established by the commissioner of education for this purpose.

Subd. 4. A school board receiving an application submitted by a teacher pursuant to subdivision 3 shall approve or deny the application within 30 days after it is received by the board, and shall notify the teacher by United States mail of the board's approval or denial within seven days after the board's decision is made. The notification of approval shall state that no agreement for termination of services with an early retirement incentive shall be made unless and until the board receives authorization from the commissioner of education.

Subd. 5. If the school board approves the teacher's application, the board shall apply to the commissioner of education for authorization to enter into a contract with the teacher for termination of his services and payment of an early retirement incentive. The school board's application shall be submitted on the form required by the commissioner and must be received by the commissioner by the July 15 immediately following the school board's approval of the teacher's application. The commissioner of education shall establish procedures for applications pursuant to this subdivision and shall approve or disapprove applications pursuant to this subdivision within the limits of the appropriation for the purposes of this section. Applications pursuant to this subdivision shall include the annual salaries which would be paid to the teachers for whom the applications are made if they did not retire and any other information required by the commissioner of education.

Subd. 6. Notwithstanding the time limitations imposed by subdivisions 4 and 5, the commissioner of education may approve applications received from school boards after the time limit established in subdivision 5 if the teacher's application was submitted to the school board within the time limit and in the form required by subdivision 3, unless the failure of the school

board to meet the time limit of subdivision 5 was caused by conduct of that teacher.

Subd. 7. A teacher whose early retirement pursuant to this section has been approved by the commissioner of education shall be offered a contract for termination of services in the employing district, withdrawal from active teaching service, 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.

Subd. 8. An eligible teacher who is or will be 55 years of age as of the end of the school year during which an application for an early retirement incentive is made and accepted shall receive an early retirement incentive in the amount of \$10,000. This amount shall be reduced by \$500 for each year that a teacher is over the age of 55 years to a maximum age of 60 years and by an additional \$1,500 for each year that a teacher is over the age of 60 years. The age of the teacher shall be determined as of the June 30 in the school year during which the application for the early retirement incentive is made.

Subd. 9. Notwithstanding the provisions of subdivision 8, an eligible teacher who wishes to retire at the end of the 1979-1980, 1980-1981, or 1981-1982 school year, who is employed by a school district which is implementing a desegregation plan ordered by federal court or approved by the state board, and who is offered and accepts an early retirement incentive contract pursuant to subdivision 7, shall receive an early retirement incentive in the amount of \$15,000. This amount shall be reduced by \$750 for each year that a teacher is over the age of 55 years to a maximum age of 60 years and by an additional \$2,250 for each year that a teacher is over the age of 60 years. The age of the teacher shall be determined as of the June 30 in the school year during which the application for the early retirement incentive is made.

Subd. 10. The early retirement incentive shall be paid by the employing school district at the time and in the manner mutually agreed upon by a teacher and the board. The state shall reimburse the district for 50 percent of any amount or amounts paid out as an early retirement incentive pursuant to this section. An early retirement incentive shall not be paid to any teacher who is discharged by a school district.

Subd. 11. Notwithstanding the provisions of subdivisions 2, 3 and 7, a teacher who has entered into an agreement for termination of services and withdrawal from active teaching service with an early retirement incentive may be employed as a substitute teacher after his retirement.

Subd. 12. Any amount of unemployment insurance which the teacher receives and for which the district is required to pay

into the unemployment compensation fund pursuant to section 268.06, subdivision 25, at any time after the teacher has entered into an agreement pursuant to subdivision 7, may be deducted by the district from the amount of the teacher's early retirement incentive or recovered by the district from the teacher up to the amount of the early retirement incentive. The district shall pay 50 percent of any amount so deducted or recovered to the department of education, and any amount so received by the department shall be deposited in the state treasury.

Sec. 29. Minnesota Statutes 1978, Section 126.10, is amended to read:

126.10 [SPECIAL DAYS.] The following days or the school days nearest (SUCH DAYS) *to them* are (HEREBY) designated for special observance in the public schools of the state: September 28 as Frances Willard Day, October 9 as Leif Erickson Day, January 15 as *Martin Luther King Day*, and February 15 as Susan B. Anthony Day. On (SUCH) *these* days (ONE HALF HOUR MAY BE DEVOTED IN THE) schools *may offer* (TO) instruction and (APPROPRIATE EXERCISES RELATIVE TO AND) *programs* in commemoration of the life and history of the respective persons and the principles and ideals they fostered.

Sec. 30. Minnesota Statutes 1978, Section 127.09, is amended to read:

127.09 [REFUSING TO SERVE ON SCHOOL BOARD.] Any person accepting an election or appointment upon any school board and refusing or neglecting to qualify or to serve or to perform any of the duties of (SUCH) *the* office, shall forfeit for each offense the sum of \$10 to be collected in an action before a justice of the peace, to be prosecuted in the name of the district by any school board member of the district or by any (FREEHOLDER THEREOF) *eligible voter, as defined in section 123.32, subdivision 1a, of the district.*

Sec. 31. Minnesota Statutes 1978, Section 127.11, is amended to read:

127.11 [DRAWING ILLEGAL ORDER.] Any school district clerk who (SHALL) illegally (DRAW) *draws* an order upon the treasurer, any chairman or other officer who (SHALL ATTEST SUCH) *attests the* order, and any school district treasurer who (SHALL) knowingly (PAY) *pays* the (SAME) *order*, shall each forfeit to the district twice the amount of (SUCH) *the* order, to be collected in an action brought in the name of the district by any (FREEHOLDER THEREOF) *eligible voter, as defined in section 123.32, subdivision 1a, of the district.*

Sec. 32. Minnesota Statutes 1978, Section 127.21, is amended to read:

127.21 [COMBINATION TO CONTROL PRICES.] If at any time any publisher shall enter into any understanding, agreement, or combination to control the prices or to restrict competition in the adoption or sale of school books, (THEN THE ATTORNEY GENERAL SHALL INSTITUTE AND PROSECUTE LEGAL PROCEEDINGS FOR THE FORFEITURE OF THE BOND OF THE PUBLISHER AND FOR THE REVOCATION OF HIS LICENSE TO SELL SCHOOL BOOKS IN THIS STATE, AND) each and every contract made by the publisher (UNDER THIS CHAPTER) shall thereupon become null and void at the option of the other parties thereto.

Sec. 33. Minnesota Statutes 1978, Section 134.03, is amended to read:

134.03 [TAX LEVY.] *Subdivision 1.* 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 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 pro-

vided 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.)

Subd. 2. Notwithstanding subdivision 1, if the library building of a library established pursuant to this section has been erected with funds acquired by gift or donation, a school board may, if authorized by the vote of a majority of all members of the school board and the vote of a majority of all members of the governing body of the city, permanently transfer the responsibility for maintaining the library to the city.

Sec. 34. Minnesota Statutes 1978, Section 134.08, is amended to read:

134.08 [WHEN ESTABLISHED BY VOTE; EXISTING LIBRARIES.] If (SUCH) a library or reading-room (BE) is not otherwise established, the governing body of the municipality, upon the petition of 50 (FREEHOLDERS THEREOF) eligible voters, as defined in section 200.02, subdivision 25, of the municipality, shall submit the question of (SUCH) the establishment to the voters at the next municipal election. If two-thirds of the votes cast on the question (BE) are in the affirmative, the governing body shall establish the library or reading-room and levy a yearly tax for its support, within the limits fixed by section 134.07. All public libraries and reading-rooms heretofore established and now existing in cities are continued and all ordinances setting apart public property for their support are hereby confirmed. Nothing in sections 134.08 to 134.15 shall be construed as abridging any power or duty in respect to libraries conferred by any city charter.

Sec. 35. Laws 1959, Chapter 462, Section 3, as amended by Laws 1961, Chapter 562, Section 2, as amended by Laws 1963,

Chapter 645, Section 3, as amended and numbered subdivision 1 by Laws 1967, Chapter 661, is amended to read:

Sec. 3. Subdivision 1. Such special independent school district shall have all the powers, privileges, duties and obligations of independent school districts as provided by (THE) state laws (AS OF APRIL 20, 1961,) except as follows or as otherwise provided by a special law or charter provision:

Sec. 36. [APPLICABILITY.] *On its effective date, section 35 applies to Special Independent School District No. 1.*

Sec. 37. Laws 1965, Chapter 705, as amended by Laws 1975, Chapter 261, Section 4, is amended to read:

Sec. 6. The school board, for the purpose of providing moneys for the payment of its severance pay obligations under a plan approved by resolution of the district, in addition to all other powers possessed by the school district and in addition to and in excess of any existing limitation upon the amount it is otherwise authorized by law to levy as taxes, is authorized to levy taxes annually not exceeding in any one year an amount equal to two-tenths of one mill upon each dollar of the assessed valuation thereof upon all taxable property within the school district which taxes as levied shall be spread upon the tax rolls, and all corrections thereof shall be held by the school district, and allocated therefor to be disbursed and expended by the school district in payment of any public school severance pay obligations and for no other purpose. Disbursements and expenditures previously authorized on behalf of the school district for payment of severance pay obligations shall not be deemed to constitute any part of the cost of the operation and maintenance of the school district within the meaning of any statutory limitation of any school district expenditures.

The amount of such severance pay allowable or to become payable in respect of any such employment or to any such employee shall not exceed (\$4,000) *the amount permitted by Minnesota Statutes, Section 465.72.*

Sec. 38. Laws 1977, Chapter 85, Section 1, as amended by Laws 1978, Chapter 764, Section 135, is amended to read:

Section 1. [INDEPENDENT SCHOOL DISTRICT NO. 625; SEVERANCE PAY.] Any employee of Independent School District 625 who resigns or retires after (DECEMBER 25, 1974) *July 1, 1980*, may be paid severance pay benefits not exceeding (\$4,000 AS PROVIDED BY LAWS 1975, CHAPTER 261) *the amount permitted by Minnesota Statutes, Section 465.72*, if the employee is otherwise eligible for benefits under a severance pay plan approved by the school board.

Sec. 39. Laws 1979, Chapter 69, Section 2, is amended to read:

Sec. 2. The board of Independent School District No. 275 may propose in its resolution for consolidation that the proposed new district be governed at first by the board of another pre-existing district and that one member of the board of Independent School District No. 275 serve as an additional member of the board of the new district for a specific period. These proposals shall be deemed to be part of the consolidation plat. If the plat containing the proposals is finally approved by all affected school boards and at each election held on the plat in an affected district, the new district shall be governed by the board of a pre-existing district as provided in the plat, and a member of the board of Independent School District No. 275 shall serve as an additional member of the board of the new district for the period specified in the plat. *This governing board of the new district shall be deemed to be the newly elected board of the new district for purposes of Minnesota Statutes, Sections 122.23 and 122.532.* As the terms of the members of the board of the pre-existing district expire, their successors shall be elected by the legally qualified voters of the new district. The members of the last board of Independent School District No. 275 to exist before the consolidation shall select the member of that board who shall serve as an additional member of the board of the new district and shall also select one of their number to replace that member if before the specified period elapses the member dies, resigns, ceases to be a resident of the area formerly contained in Independent School District No. 275 or is found by resolution of the board of the new district to be unable to serve on the board for a period of 90 days or more because of illness or prolonged absence from the district.

Sec. 40. Laws 1979, Chapter 69, Section 5, is amended to read:

Sec. 5. If the effective date of the consolidation is not July 1 of an odd-numbered year and if the new district is governed by the board of a pre-existing district as provided in section 2, the contract between the board of the pre-existing district and the exclusive bargaining representative of teachers in that district shall continue in effect for the remainder of its term and shall also govern the terms and conditions of employment in the new district of the teachers previously employed by Independent School District No. 275 and, *if applicable*, any placement of those teachers on unrequested leave of absence by (THE NEW DISTRICT) *that board* during the school year before the consolidation becomes effective.

Sec. 41. [APPLICABILITY.] *On their effective date, sections 39 and 40 apply to Independent School District No. 275, Golden Valley.*

Sec. 42. Laws 1979, Chapter 334, Article VIII, Section 29, is amended to read:

Sec. 29. [APPROPRIATION.] To meet the state's obligation prescribed in Minnesota Statutes, Sections 125.61, *section 28 of this article*, 354.094, 354.66, 354A.091 and 354A.22, there is appropriated from the general fund to the department of education the sum of \$1,247,000 for the fiscal year ending June 30, 1980 and the sum of \$1,532,800 for the fiscal year ending June 30, 1981.

(a) Any unexpended balance remaining from the appropriation in this section for fiscal year 1980 shall not cancel but shall be available for the second year of the biennium. If the appropriation amount attributable to either year for the purposes indicated is insufficient, the state shall not be obligated for any amount in excess of the appropriation in this section for this purpose.

(b) Notwithstanding the provisions of Minnesota Statutes, Sections 354.43 and 354A.12, the state's obligations prescribed in Minnesota Statutes, Sections 354.094, 354.66, 354A.091 and 354A.22 shall not be financed out of standing appropriations for the state's obligations pursuant to Minnesota Statutes, Chapter 354 or 354A.

Sec. 43. Laws 1980, Chapter 345, Section 17, is amended to read:

Sec. 17. Nothing contained in sections (1 TO 16) 2 or 3 shall be construed as affecting the validity of a permanent license or certificate issued prior to August 1, (1979) 1980.

Sec. 44. *Subdivision 1.* [AUTHORIZED FUND TRANSFER.] *Notwithstanding section 18 of this article or any other provisions of law to the contrary, Independent School District No. 283 may transfer up to \$500,000 of any unexpended balance in the debt retirement fund of the district, after a sufficient amount of moneys has been deposited in the debt retirement fund of the district to meet when due the principal and interest payments for all outstanding obligations, to the capital expenditure fund of the district. This transfer authority is available until July 1, 1980.*

Subd. 2. [APPLICABILITY.] *On its effective date, subdivision 1 applies to Independent School District No. 283.*

Sec. 45. [INDEPENDENT SCHOOL DISTRICTS NOS. 279 AND 286; TRANSFER OF TERRITORY.] *Subdivision 1. All that part of Independent School District No. 286 located in the NW 1/4 of section 35, township 119, range 21 lying south of a line commencing at a point on the west line of section 35, town-*

ship 119, range 21, Hennepin County, where it intersects the existing center line of U.S. Highway 94, thence easterly along the existing center line of U.S. Highway 94 to a point on the north line of the southwest quarter of section 35, township 119, range 21, Hennepin County, and there terminating, is detached from Independent School District No. 286 and annexed to Independent School District No. 279.

Subd. 2. The property described in subdivision 1 shall remain subject to taxation for all bonded indebtedness incurred by Independent School District No. 286 before the effective date of this section. It shall not be subject to taxation for any bonded indebtedness incurred by Independent School District No. 279 before the effective date of this section.

Sec. 46. [INDEPENDENT SCHOOL DISTRICTS NOS. 279 AND 286; TRANSFER OF TERRITORY.] Subdivision 1. All that part of Independent School District No. 279 located in the SW 1/4 of section 35, township 119, range 21 lying north of a line commencing at a point on the north line of the southwest quarter of section 35, township 119, range 21, Hennepin County, where it intersects with the existing center line of U.S. Highway 94, thence easterly along the existing center line of U.S. Highway 94 to a point on the east line of the southwest quarter of section 35, township 119, range 21, Hennepin County, and there terminating, is detached from Independent School District No. 279 and annexed to Independent School District No. 286.

Subd. 2. The property described in subdivision 1 shall remain subject to taxation for all bonded indebtedness incurred by Independent School District No. 279 before the effective date of this section. It shall not be subject to taxation for any bonded indebtedness incurred by Independent School District No. 286 before the effective date of this section.

Sec. 47. [APPLICABILITY.] Subdivision 1. On their effective dates, sections 45 and 46 apply to Independent School Districts Nos. 279 and 286.

Subd. 2. On its effective date, sections 37 and 38 apply to Independent School District No. 625.

Sec. 48. [REPEALER.] Minnesota Statutes 1978, Sections 122.85, Subdivision 7; 123.34, Subdivision 6; 123.65; 125.61, Subdivisions 1a and 6; and 127.22; and Minnesota Statutes, 1979 Supplement, Section 125.61, Subdivisions 1, 2, 3, 3a, 4, 4a and 4b, are repealed.

Sec. 49. [EFFECTIVE DATE.] Subdivision 1. Sections 1 to 4, 7 to 13, 15, 17 to 19, 25, 26, 28, 30 to 34, 36, 41 to 43, 47 and 48 of this article are effective the day following final enactment.

Subd. 2. Section 28, subdivision 6 shall apply retroactively to teachers who submitted applications for early retirement incentives on or before June 1, 1979 and retired at the end of the 1978-79 school year.

Subd. 3. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), sections 39, 40, and 44 of this article shall be effective without local approval on the day following final enactment.

Subd. 4. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (b) section 35 shall be effective without local approval the day following final enactment.

Subd. 5. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (b), sections 37 and 38 are effective without local approval July 1, 1980.

Subd. 6. Notwithstanding the provisions of Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), sections 45 and 46 are effective only upon approval by a majority vote of all members of the school board of Independent School District No. 286 and by a majority vote of all members of the school board of Independent School District No. 279 and upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3.

ARTICLE VII

STATEWIDE EDUCATION MANAGEMENT INFORMATION SYSTEM

Section 1. Minnesota Statutes 1978, Chapter 16, is amended by adding a section to read:

[16.931] [EDUCATION MANAGEMENT INFORMATION SYSTEMS.] *Subdivision 1. The authority of the commissioner of administration pursuant to sections 16.90 to 16.96 shall not apply to ESV-IS, but shall apply to SDE-IS and computer related services provided to the department of education by the department of administration's information services bureau. For purposes of this section, "ESV-IS" and "SDE-IS" shall have the meanings given them in section 9 of this article.*

Subd. 2. To the extent permitted by available resources, the commissioner of administration may furnish staff and other assistance to the department, the state board, the ESV computer council and the Minnesota educational computing consortium in conjunction with their performance of the duties imposed by sections 10 to 17 of this article.

Sec. 2. Minnesota Statutes 1978, Section 121.90, is amended to read:

121.90 [DEFINITIONS.] "Receivables", "liabilities", "fund balances", "revenues" and "expenditures" have the meanings specified in the uniform financial accounting and reporting (SYSTEM) *standards* for Minnesota school districts unless otherwise provided by law.

Sec. 3. Minnesota Statutes 1978, Section 121.902, Subdivision 1, is amended to read:

121.902 [COUNCIL RECOMMENDATIONS.] Subdivision 1. The council shall recommend to the state board uniform financial accounting and reporting standards for school districts. The state board shall adopt and maintain uniform financial accounting and reporting standards which are consistent with sections 121.90 to 121.92 and with generally accepted accounting principles and practices. The standards so adopted shall be known as the uniform financial accounting and reporting (SYSTEM) *standards* for Minnesota school districts.

Sec. 4. Minnesota Statutes 1978, Section 121.906, Subdivision 2, is amended to read:

Subd. 2. There shall be fiscal year-end recognition of expenditures and the related offsetting liabilities recorded in each fund in accordance with the uniform financial accounting and reporting (SYSTEM) *standards* for Minnesota school districts.

Sec. 5. Minnesota Statutes 1978, Section 121.908, Subdivision 1, is amended to read:

121.908 [REQUIREMENT FOR ACCOUNTING, BUDGETING AND REPORTING.] Subdivision 1. On or before June 30, 1977, each Minnesota school district shall adopt the uniform financial accounting and reporting (SYSTEM) *standards* for Minnesota school districts provided for in section 121.902.

Sec. 6. Minnesota Statutes 1978, Section 121.912, Subdivision 2, is amended to read:

Subd. 2. As used in this section, "operating fund" and "non-operating fund" shall have the meanings specified in the uniform financial accounting and reporting (SYSTEM) *standards* for Minnesota school districts. Any transfer for a period in excess of one year shall be deemed to be a permanent transfer.

Sec. 7. Minnesota Statutes 1978, Section 121.914, Subdivision 1, is amended to read:

121.914 [STATUTORY OPERATING DEBT.] Subdivision 1. The "operating debt" of a school district means the net negative unappropriated fund balance in all school district funds, other than capital expenditure, building construction, debt

service, trust and agency, and post-secondary vocational-technical education funds, calculated as of June 30 of each year in accordance with the uniform financial accounting and reporting (SYSTEM) *standards* for Minnesota school districts.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 121.917, Subdivision 4, is amended to read:

Subd. 4. (1) If the net negative unappropriated fund balance in all the funds of a school district, other than statutory operating debt pursuant to section 121.914, capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated in accordance with the uniform financial accounting and reporting (SYSTEM) *standards* for Minnesota school districts, as of June 30, 1980, and each year thereafter, is more than 2-1/2 percent of the year's expenditure amount, the district shall, prior to September 15, submit a special operating plan to reduce the district's deficit expenditures to the commissioner of education for his approval.

Notwithstanding any other law to the contrary, a district submitting a special operating plan to the commissioner under this clause which is disapproved by the commissioner shall not receive any aid pursuant to chapter 124 until a special operating plan of the district is so approved.

(2) A district shall receive aids pending the approval of its special operating plan under clause (1). A district which complies with its approved operating plan shall receive aids as long as the district continues to comply with the approved operating plan.

Sec. 9. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.93] [STATEWIDE EDUCATION MANAGEMENT INFORMATION SYSTEM; DEFINITIONS.] *Subdivision 1. For purposes of sections 9 to 17, the terms defined in this section shall have the meanings attributed to them.*

Subd. 2. "District" means a school district, an educational cooperative service unit, a cooperative center for vocational education, a cooperative center for special education, an area vocational-technical institute, or an intermediate service area.

Subd. 3. "ESV-IS" or "elementary, secondary and vocational education management information system" means that component of the statewide elementary, secondary and vocational education management information system which provides administrative data processing and management information services to districts.

Subd. 4. "SDE-IS" or "state department of education information system" means that component of the statewide elementary, secondary and vocational education management information system which provides data processing and management information services to the department of education.

Subd. 5. "ESV computer council" means the advisory council to the state board of education established in section 13.

Sec. 10: Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.931] [STATEWIDE EDUCATION MANAGEMENT INFORMATION SYSTEM; STATE BOARD POWERS AND DUTIES.] *Subdivision 1. [COMPONENTS; GOVERNANCE.] The statewide elementary, secondary and vocational education management information system shall consist of the ESV-IS and the SDE-IS and shall be governed by the state board according to the provisions of sections 9 to 17 of this article.*

Subd. 2. [PURPOSES.] The purposes of the statewide elementary, secondary and vocational education management information system shall be:

(a) To provide comparable and accurate educational information in a manner which is timely and economical;

(b) To provide a computerized research capability for analysis of education information;

(c) To provide school districts with an educational information system capability which will meet school district management needs; and

(d) To provide a capability for the collection and processing of educational information in order to meet the management needs of the state of Minnesota.

Subd. 3. [SYSTEMS ARCHITECTURE PLAN.] The state board, with the advice and assistance of the ESV computer council, shall develop a systems architecture plan for providing administrative data processing to school districts, the department of education, and the legislature. In developing the plan, the state board shall consider at least the following: user needs; systems design factors; telecommunication requirements; computer hardware technology; and alternative hardware purchase and lease arrangements. The plan shall be completed by December 30, 1980.

Subd. 4. [LONG RANGE PLAN.] The state board, with the advice and assistance of the ESV computer council, shall develop a long-range plan for providing administrative data

processing to elementary, secondary, and vocational school districts, the department of education, and the legislature. In developing the plan, the state board shall consider at least the following: desirable major enhancements to the ESV-IS and SDE-IS; new system development proposals; new or modified approaches to provide support services to districts; the responsibility of regional management information centers to provide reports to the department on behalf of affiliated districts; and related development and implementation time schedules. The long-range plan shall address the feasibility and practicability of utilizing microcomputers, minicomputers, and larger computer systems. The preliminary plan shall be prepared by December 31, 1980, and the plan shall be completed by July 1, 1981. The plan shall be updated by September 15 of each even-numbered year. The long-range plan shall consist of one document and shall incorporate the systems architecture plan and all relevant portions of previous documents which have been referred to as the state computing plan.

Subd. 5. [SOFTWARE DEVELOPMENT.] The state board, with the advice of the ESV computer council, shall provide for the development of applications software for ESV-IS and SDE-IS. The state board may provide state or federal funds for the development of software for an alternative management information system only if it determines that this system may have statewide applicability. Notwithstanding the foregoing, the state board may for innovative projects involving computers approve grants to districts pursuant to section 3.926, Title IV of the Elementary and Secondary Education Act of 1965 as amended, or any other appropriate statute.

Subd. 6. [DATA STANDARDS.] The state board shall adopt rules containing standards for financial, student and payroll/personnel data and any other data included in ESV-IS. For financial data, the uniform financial accounting and reporting standards adopted pursuant to section 121.902 shall satisfy the requirement of this subdivision. The state board shall consider the recommendations of the advisory task forces on uniform data standards for student reporting and payroll/personnel reporting and the ESV computer council in adopting the standards for student data and payroll/personnel data. The state board shall ensure that the standards for different types of data are consistent with each other, and for this purpose shall consider the recommendations of the advisory task forces on uniform data standards for student reporting and personnel/payroll reporting, the advisory council on uniform financial accounting and reporting standards, and the ESV computer council. The data standards for each type of data shall include:

- (a) A standard set of naming conventions for data elements;
- (b) A standard set of data element definitions; and

(c) *A standard transaction processing methodology which uses the defined data elements, specifies mathematical computations on those data elements and specifies output formats.*

The state board, with the advice and assistance of the ESV computer council, shall monitor and enforce compliance with the data standards.

Subd. 7. [APPROVAL POWERS.] The state board, with the advice and assistance of the ESV computer council, shall approve or disapprove the following, according to the criteria in section 16 and in the rules adopted pursuant to subdivision 8:

(a) *The creation of regional management information centers pursuant to section 14;*

(b) *The transfer by a district of its affiliation from one regional management information center to another;*

(c) *The use by a district of an alternative management information system to ESV-IS pursuant to section 15, subdivisions 2 to 4;*

(d) *Annual and biennial plans and budgets submitted by regional management information centers pursuant to section 14, subdivisions 3 and 4; and*

(e) *Expenditures by districts for computer activities other than fees paid to regional management information centers.*

Subd. 8. [RULES.] The state board shall adopt rules prescribing criteria for its decisions pursuant to subdivision 7. These rules shall include at least the criteria specified in section 16. The state board shall also adopt rules specifying the criteria and the process for determining which data and data elements are included in the data element dictionary and the annual data acquisition calendar developed pursuant to section 11, subdivisions 1 and 2. The state board shall adopt rules requiring regional management information centers to use cost accounting procedures which will account by district for resources consumed at the center for support of each ESV-IS subsystem and of any approved alternative financial management information systems. The adoption of the systems architecture plan and the long range plan pursuant to subdivisions 3 and 4 shall be exempt from the rule-making procedures specified in chapter 15.

Sec. 11. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.932] [STATEWIDE EDUCATION MANAGEMENT INFORMATION SYSTEM; DEPARTMENT DUTIES.] Subdivision 1. [DATA ELEMENT DICTIONARY.] The depart-

ment of education shall maintain a current data element dictionary defining all data elements included in the the *ESV-IS* and the *SDE-IS*.

Subd. 2. [DATA ACQUISITION CALENDAR.] The department of education shall maintain a current annual data acquisition calendar specifying the reports which districts are required to provide to the department, the reports which regional management information centers are required to provide to the department for their affiliated districts, and the dates when these reports are due.

Subd. 3. [EXEMPTION FROM CHAPTER 15.] Except as provided in section 10, subdivision 8, the development of the data element dictionary pursuant to subdivision 1, and the annual data acquisition calendar pursuant to subdivision 2, shall be exempt from the rule-making procedures specified in chapter 15.

Subd. 4. [SDE-IS.] The department shall develop and operate the *SDE-IS* with the advice and assistance of the *ESV* computer council. The *SDE-IS* shall include: (a) information required by federal or state law or rule; and (b) information needed by the divisions of the department in order to disburse funds, to implement research or special projects approved by the commissioner, and to meet goals or provide information required by the state board, the governor, the legislature or the federal government. The department shall consult the advisory council on uniform financial accounting and reporting standards, the advisory task forces on student reporting and payroll/personnel reporting, and representatives of the senate and the house of representatives and of each division of the department, about needs for information from *SDE-IS*.

Sec. 12. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.933.] [STATEWIDE MANAGEMENT INFORMATION SYSTEM; DELEGATION OF POWERS AND DUTIES.] *Subdivision 1. [PERMITTED DELEGATIONS.]* The state board and the department may provide, by the delegation of powers and duties or by contract, for the implementation and technical support of *ESV-IS* and *SDE-IS*, including the development of applications software pursuant to section 10, subdivision 5, by the Minnesota educational computing consortium, by a regional management information center or by any other appropriate provider.

Subd. 2. [PROHIBITED DELEGATIONS.] The state board and the department may not delegate to the Minnesota educational computing consortium any of their powers and duties to develop policy and to plan for *ESV-IS* and *SDE-IS*, to monitor and enforce compliance with rules and data standards, or to approve the actions of districts and regions. Powers and duties which may not be delegated include the powers and du-

ties in section 10, subdivisions 3, 4, 6, 7, and 8 and section 11, subdivisions 1 and 2.

Sec. 13. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.934] [ESV COMPUTER COUNCIL.] *Subdivision 1. [CREATION.] An advisory council to the state board consisting of 11 members appointed by the governor is hereby established. Membership terms, compensation of members, removal of members, and the filling of membership vacancies shall be as provided in section 15.059. The governor is encouraged to solicit the suggestions of the state board, the governing boards of regional management information centers, and school boards in selecting members of the council.*

Subd. 2. [MEMBERSHIP.] The council shall be composed of:

(a) Four representatives of school districts, including one school district administrator from a rural school district, one school district administrator from an urban school district, one school board member from a rural school district, and one school board member from an urban school district;

(b) Two representatives of regional management information center governing boards, including one member of a regional management information center board from a region which is predominantly rural and one member of a regional management information center board from a region which is predominantly urban;

(c) Two persons employed in management positions in the private sector, at least one of whom is a data processing manager or holds an equivalent position in the private sector;

(d) Two persons employed in management positions in the public sector other than elementary, secondary, or vocational education, at least one of whom is a data processing manager or holds an equivalent position in the public sector; and

(e) One person from the general public.

All the members appointed pursuant to clauses (a), (b) and (e) shall represent different regional management information centers. Members selected pursuant to clauses (c) and (d) shall not be employees or board members of local school districts or the department of education.

Subd. 3. [STATUS CHANGES.] The position of a member who leaves Minnesota or whose employment status changes to

a category different from that for which he was appointed shall be deemed vacant.

Subd. 4. [OFFICERS.] The council shall elect a chairman and such other officers as it may deem necessary.

Subd. 5. [MEETINGS.] The ESV computer council shall meet regularly at such times and places as the council shall determine. Meetings shall be called by the chairman or at the written request of any six members.

Subd. 6. [STAFF AND SUPPORT SERVICES.] The state board shall employ with the concurrence of the council one professional individual, experienced in managing data processing services, who shall be in the unclassified civil service, who shall not be a member of the council, and who shall provide staff assistance to the council. The state board shall provide all necessary materials and assistance for the transaction of the business of the council. The expenses of undertaking the duties in this section shall be paid for from appropriations made to the state board of education.

Subd. 7. [ADVISORY DUTIES.] (a) Pursuant to section 10, the ESV computer council shall advise and assist the state board in:

(1) the development of the long range plan and the systems architecture plan;

(2) the development of applications software for ESV-IS and SDE-IS;

(3) the approval of the creation and alteration of regional management information centers;

(4) the approval of the use by districts of alternative management information systems;

(5) the statewide applicability of alternative management information systems proposed by districts; and

(6) the approval of annual and biennial plans and budgets of regional management information centers; and

(7) the monitoring and enforcement of compliance with data standards.

(b) The council shall also review the data standards recommended by the council on uniform financial accounting and reporting standards and the advisory task forces on uniform standards for student reporting and personnel/payroll reporting and make recommendations to the state board concerning:

(1) the consistency of the standards for finance, student and personnel/payroll data with one another;

(2) the implications of the standards for implementation of ESV-IS and SDE-IS; and

(3) the consistency of the standards with the systems architecture plan and the long-range plan.

(c) Pursuant to section 11, the council shall advise the department in the development and operation of SDE-IS.

Sec. 14. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.935] [REGIONAL MANAGEMENT INFORMATION CENTERS.] *Subdivision 1. [CREATION.] Any group of two or more independent, special or common school districts may with the approval of the state board pursuant to sections 10 and 16 create a regional management information center pursuant to section 123.58 or 471.59 to provide computer services to school districts. A regional management information center which is not in existence on July 1, 1979 shall not come into existence until the first July 1 of an odd-numbered year after its creation is approved by the state board or until it can be accommodated by state appropriations, whichever occurs first.*

Subd. 2. [DUTIES.] Every regional management information center shall:

(a) Assist its affiliated districts in complying with the reporting requirements of the annual data acquisition calendar and the rules of the state board of education;

(b) Respond within 15 calendar days to requests from the department for information based on the data elements in the data element dictionary;

(c) Operate financial management information systems consistent with the uniform financial accounting and reporting standards for Minnesota school districts adopted by the state board pursuant to sections 121.90 to 121.92;

(d) Make available to districts the opportunity to participate fully in all the subsystems of ESV-IS;

(e) Before July 1, 1981, develop a plan for the provision of services during a system failure or a disaster; and

(f) Beginning in 1981, comply with the requirement in section 121.908, subdivision 2, on behalf of districts affiliated with it.

Subd. 3. [ANNUAL PLANS AND BUDGETS.] No regional management information center may expend funds for administrative or management computer activities unless it receives state board approval of an annual plan, budget and financial report for these activities pursuant to sections 10 and 16. The annual budget and financial report shall be in a common format specified by the department and approved by the department of finance for all regional management information centers and shall conform to the uniform financial accounting and reporting standards for school districts. The annual financial report shall be accompanied by a summary statement of the accounting by district of resources consumed in support of the ESV-IS subsystems and any other management information systems.

Subd. 4. [BIENNIAL BUDGET ESTIMATES.] Every regional management information center shall submit to the department by July of each even-numbered year a biennial budget estimate for its administrative and management computer activities. The biennial budget estimates shall be in a program budget format and shall include all estimated and actual revenues, expenditures, and fund balances of the center for the appropriate fiscal years. Budget forms developed pursuant to section 16A.10 may be used for these estimates. The department of education shall assemble this budget information into a supplemental biennial budget summary for the statewide elementary, secondary, and vocational management information system. Copies of this supplemental biennial budget summary shall be provided to the ESV computer council and the department of finance, and shall be available to the legislature upon request.

Subd. 5. [REGIONAL SUBSIDIES.] In any year when a regional management information center's annual plan and budget are approved pursuant to subdivision 3, the center shall receive a regional reporting subsidy grant from the department of education. The subsidy grant shall be in the amount allocated by the state board in the process of approving the annual budgets of the regional management information centers pursuant to subdivision 3. The amounts of the subsidy grants and an explanation of the allocation decisions shall be filed by the state board with the committees on education and finance of the senate and the committees on education and appropriations of the house of representatives.

For subsidy grants for fiscal year 1981 and for each fiscal year thereafter, the state board is encouraged to recognize that the diversity of regional management information centers precludes a formula-based allocation of subsidy grants, to promote equity and access to regional services in the allocation process, and to consider the following factors:

(a) The number of students in districts affiliated with the center;

(b) *The number of districts affiliated with the center;*

(c) *Fixed and overhead costs to be incurred in operating the regional center, the finance subsystem, the payroll/personnel subsystem, and the student support subsystem;*

(d) *Variable costs to be incurred which differ in proportion to the number of districts served and the number of subsystems implemented for those districts;*

(e) *Services provided to districts which enable the districts to meet state reporting requirements;*

(f) *The cost of meeting the reporting requirements of subdivision 2 for districts using approved alternative management information systems; and*

(g) *The number of districts affiliated with a regional management information center in relation to the geographic area occupied by those districts.*

Subd. 6 [FEES.] Regional management information centers may charge fees to affiliated districts. A district which submits financial transactions to the center in summary form pursuant to section 15, subdivision 1, or which uses an approved alternative financial management information system pursuant to section 15, subdivisions 2 to 4, may apply to the commissioner to set the fee if the district and the center cannot agree on a fee. The commissioner shall issue an order setting the fee, which shall be binding on both the center and the district.

Sec. 15. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.936] [SCHOOL DISTRICT MANAGEMENT INFORMATION SYSTEMS.] *Subdivision 1. [MANDATORY PARTICIPATION.] (a) By July 1, 1980, every district shall perform financial accounting and reporting operations on a financial management accounting and reporting system utilizing multi-dimensional accounts and records defined in accordance with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92.*

(b) *By July 1, 1980, every school district shall be affiliated with one and only one regional management information center. This affiliation shall include at least the following components:*

(1) *The center shall provide reports to the department of education for the district to the extent required by the data acquisition calendar;*

(2) *The district shall use the ESV-IS finance subsystem through the center to process every detailed financial transaction of the district.*

Notwithstanding the foregoing, a district with 3,000 or fewer pupils in average daily membership as defined in section 124.17, subdivision 2, may submit its financial transactions to the center for processing in summary form if before July 1, 1980, the planned form of the district's submission of its transactions and the conformance of the district's financial accounting and reporting system to the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92 are approved by the following team: the director of school financial management in the department of education, and the director of management information services and the coordinator for the ESV-IS finance subsystem for the Minnesota educational computing consortium.

(c) *The provisions of this subdivision shall not be construed to prohibit a district from purchasing services other than those described in clause (b) from a center other than the center with which it is affiliated pursuant to clause (b).*

Subd. 2. [ALTERNATIVE FINANCIAL MANAGEMENT INFORMATION SYSTEMS.] *After July 1, 1980 a district may be exempted from the requirement in subdivision 1, clause (b) (2), if it receives the approval of the state board to use an alternative financial management information system. A district permitted before July 1, 1980, to submit its financial transactions in summary form to a regional management information center pursuant to subdivision 1 may continue to submit transactions in the approved form without obtaining the approval of the state board pursuant to this subdivision. Any district desiring to use an alternative system shall submit a detailed proposal to the state board, the ESV computer council and the regional management information center with which it is affiliated. The detailed proposal shall include a statement of all costs to the district, regional management information center or state for software development or operational services needed to provide data to the regional management information center pursuant to the data acquisition calendar.*

Subd. 3. [ALTERNATIVE FINANCIAL MANAGEMENT INFORMATION SYSTEMS; EVALUATION.] *The regional management information center shall evaluate the district proposal according to the approval criteria in section 16, subdivision 1. The regional management information center shall submit its evaluation of the district proposal to the state board and the ESV computer council for their consideration in evaluating the proposal.*

The ESV computer council shall evaluate the district proposal for cost effectiveness and conformance to the systems architecture plan, the long range plan, and the uniform financial ac-

counting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92. Upon completion of the evaluation, the ESV computer council shall recommend to the state board that it (a) approve the proposal, (b) disapprove the proposal, or (c) approve the proposal if it is modified by the district in ways which are specified by the council.

Subd. 4. [ALTERNATIVE SYSTEMS; STATE BOARD.] Upon approval of the proposal by the state board the district may proceed in accordance with its approved proposal. Except as provided in section 10, subdivision 5, an alternative system approved pursuant to this subdivision shall be developed and purchased at the expense of the district. A district which has submitted a proposal for an alternative system which has been disapproved may not submit another proposal for that fiscal year, but it may submit a proposal for the subsequent fiscal year.

Subd. 5. [REPORT TO LEGISLATURE.] The department shall report to the legislature in the biennial budget on the number and status of districts which have received approval to operate alternative systems.

Subd. 6. [APPROVED EXPENDITURES.] A district may not expend funds for administrative or management computer activities without state board approval except for the payment of fees to regional management information centers.

Sec. 16. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.937] [CRITERIA.] *Subdivision 1. The criteria adopted by the state board for approval of the creation of a regional management information center, the transfer of a school district's affiliation from one regional management information center to another, and the approval of an alternative management information system shall include:*

(a) *The provisions of the plans adopted by the state board pursuant to section 10, subdivisions 3 and 4;*

(b) *The cost effectiveness of the proposed center, transfer or alternative;*

(c) *The effect of the proposed center, transfer or alternative on existing regional management information centers; and*

(d) *Whichever of the following is applicable:*

(i) *The ability of a proposed center to comply with section 14, or the effect of a transfer on a center's ability to comply with section 14, or*

(ii) *The ability of a proposed alternative management information system to comply with section 15, subdivision 1, clauses (a) and (b) (1).*

Subd. 2. Criteria for approval of annual plans and budgets of a regional management information center shall include:

(a) *The provisions of the plans adopted by the state board pursuant to section 10, subdivisions 3 and 4;*

(b) *The cost effectiveness of the services provided by the center; and*

(c) *The ability of the center to comply with section 14.*

Sec. 17. *Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:*

[121.938] [STUDENT AND PERSONNEL REPORTING STANDARDS.] [ADVISORY TASK FORCES.] *Subdivision 1. There are created two advisory task forces, one on uniform data standards for student reporting and one on uniform data standards for personnel/payroll reporting, each composed of 9 members as follows:*

(a) *One employee of the state department of education appointed by the commissioner of education;*

(b) *One representative of the management information services division of the Minnesota educational computing consortium appointed by the board of the Minnesota educational computing consortium;*

(c) *One representative from the regional management information centers appointed by the state board of education;*

(d) *Three persons who are representatives of the various size school districts in the state and who are public school employees whose positions involve activities related to student reporting or personnel/payroll reporting, as applicable, appointed by the state board of education;*

(e) *One person representing the office of the governor appointed by the governor to serve ex officio;*

(f) *One person representing the senate appointed by the committee on committees to serve ex officio;*

(g) *One person representing the house of representatives appointed by the speaker of the house to serve ex officio.*

Subd. 2. Each task force shall report to the legislature, by January 1, 1981, recommendations for broad policy standards for school district reporting of student data or payroll/personnel data. Each task force shall recommend to the ESV computer council and the state board specific data standards for student data or personnel/payroll data. These data standards shall be consistent with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92.

Subd. 3. The task force shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.

Sec. 18. [REPEALER.] *Minnesota Statutes 1978, Section 121.92, Subdivision 1; and Minnesota Statutes, 1979 Supplement, Sections 16.93; and 121.92, Subdivision 2, are repealed.*

Sec. 19. [APPROPRIATION.] *The sum of \$130,000 is appropriated from the general fund to the department of education for the biennium ending June 30, 1981.*

(a) This appropriation shall be used to pay the expenses of the ESV computer council and the advisory task forces on the payroll/personnel and student reporting and to support four additional complement positions. One of these positions shall be used to provide staff services to the ESV computer council, one position shall be used to provide staff services to the advisory task force on payroll/personnel reporting and one position shall be used to provide staff services to the advisory task force on student reporting.

(b) The department of education shall use an amount not to exceed \$200,000 from regional telecommunications aids and instructional telecommunications costs appropriated in Laws 1979, Chapter 335, Section 2, Subdivision 6, Clause (b) (1) and Clause (b) (3) for the purposes of this subdivision.

(c) \$100,000 of the funds made available by clause (b) shall be used by the department of education to hire a consultant to assist the department in implementing the recommendations in the evaluation which was performed pursuant to Laws 1979, Chapter 334, Article VI, Section 33. The employment of a consulting firm for this purpose shall not be subject to the contract approval procedures of the commissioner of administration.

(d) In addition, \$100,000 of the funds made available by clause (b) shall be used by the department of education and the Minnesota educational computing consortium to review the microcomputer finance system developed by Independent School District No. 62, Ortonville, and to develop and pilot test a finance system for microcomputers which will meet uniform financial

accounting and reporting standards. The department of education shall report to the legislature by December 31, 1980 on the progress of the microcomputer finance system project, and the dates by which such a system could be released for use by school districts. Notwithstanding any provisions to the contrary, the council on quality education may continue to fund and evaluate the Ortonville innovative project on the use of a microcomputer for administrative data processing.

(e) \$1,300,000 of the amount appropriated for regional support aids to a contingent fund pursuant to Laws 1979, Chapter 335, Section 2, Subdivision 6, Clause (b) (2) is hereby released from the contingent fund and made available to the department of education for regional support aids for fiscal year 1981. No regional center shall receive an amount to support its fixed and overhead costs in 1981 which is less than the amount of state regional support aid the region used to support its fixed and overhead costs in fiscal year 1980.

Sec. 20. [EFFECTIVE DATE.] Sections 1 to 19 of this article shall be effective the day following final enactment.

ARTICLE VIII

RESEARCH AND DEVELOPMENT

Section 1. [PURPOSE.] The legislature of the state of Minnesota recognizes the long standing tradition and commitment of the people of this state to quality in education. This commitment has required a growing and unprecedented expenditure of public funds. As these expenditures continue to grow, it becomes necessary to insure that the expectations and priorities of the people of Minnesota for education continue to be met. One of the most effective means of maintaining and improving quality in public education, as in business, industry, science and medicine, is through research and development. Research and development in education makes it possible for those concerned to find answers to questions of educational importance, develop improved measures for education and create new responses to address future problems. Presently, however, only a small fraction of one percent of the total revenues spent on public education is allocated for research and development. The purpose of this article is to encourage research and development programs at the local school district level.

Sec. 2. Subdivision 1. For the 1980-1981 and 1981-1982 school years, the state board of education, with the approval of the governor after consultation with the legislative advisory commission in the manner provided in section 3.30, shall make up to 15 grants to school districts to engage in educational research and development. Districts are encouraged, but are not limited, to conduct educational research and development in the following areas:

(1) *Review of school district purposes and priorities for education;*

(2) *Programs encouraging the development of local citizen task forces on educational issues;*

(3) *Programs in preventive education and basic living skills;*

(4) *Developing programs which emphasize the purpose and results of education for the effective development of the child, including programs which focus on the importance of the home environment, the behavior of parents and family members in promoting the total development of the child, and programs which focus on the responsibility of parents as teachers and on membership in a family as a career; and*

(5) *Developing uses for computerized instruction, cable television and other innovations in media technology.*

The research may include a review of existing national and international research and may involve the cooperation of the private sector.

Subd. 2. Districts which wish to participate in the funded research and development shall submit a research and development proposal to the department of education no later than June 1 preceding the school year for which the research and development is proposed. Two or more districts may submit a joint proposal for cooperative research and development. A proposal may request funding for one year or two years. Districts are encouraged to establish offices of research and development with the grant funds and to coordinate the research and development grant received pursuant to this section with grants for research and development from other sources. The council on quality education shall provide technical assistance to the state board of education in evaluating proposals. Districts shall be notified of their participation in the funding no later than August 1 preceding the school year for which the research and development is proposed.

Subd. 3. The funds shall be as equally distributed as possible among districts in cities of the first class, in suburbs, and outside the seven county metropolitan area. Districts are encouraged to propose research and development which is district wide or statewide in its implementation.

Subd. 4. The department of education shall make a report to the legislature on the research and development conducted in accordance with this section before September 15, 1982.

Sec. 3. [APPROPRIATION; RESEARCH AND DEVELOPMENT PROGRAM.] *The sum of \$250,000 is appropriated*

from the general fund to the department of education for the fiscal year ending June 30, 1981 for the program authorized pursuant to sections 1 and 2 of this article. This appropriation is available until June 30, 1982.

Sec. 4. [EFFECTIVE DATE.] *This article is effective the day following final enactment."*

Delete the title in its entirety and insert:

"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 school districts, the state board of education, and others; providing aid for the education of students of limited English proficiency; providing individualized instructional materials for nonpublic school pupils; increasing the amount of severance pay available to public employees; clarifying provisions governing education management information systems; appropriating money; amending Minnesota Statutes 1978, Sections 120.095, Subdivision 6; 120.10, Subdivision 2; 121.90; 121.902, Subdivision 1; 121.906, Subdivision 2; 121.908, Subdivision 1; 121.912, Subdivision 2, and by adding a subdivision; 121.914, Subdivision 1; 122.22, Subdivisions 2 and 4; 122.23, Subdivisions 9 and 10; 122.25, Subdivision 1; 122.531, by adding subdivisions; 123.11, Subdivision 7; 123.35, Subdivision 5; 123.36, Subdivision 10, and by adding a subdivision; 123.51; 123.932, Subdivision 9, and by adding subdivisions; 123.933; 124.11, by adding a subdivision; 124.20; 124.214, Subdivision 2; 124.565, by adding a subdivision; 124.572, Subdivision 7; 124.65; 125.12, Subdivisions 2 and 9; 125.182, Subdivision 1; 125.60, by adding a subdivision; 126.07; 126.10; 126.36, Subdivisions 1, 3, 4 and 5; 126.52, Subdivision 5, and by adding a subdivision; 126.54, Subdivisions 5 and 6; 127.09; 127.11; 127.21; 134.03; 134.08; 275.125, Subdivisions 5, 5a, 12, and by adding a subdivision; 354.05, Subdivision 2, as amended; Chapters 16, by adding a section; 120, by adding sections; 121, by adding sections; 123, by adding a section; 124, by adding a section; 125, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 3.9279, Subdivision 13; 120.075, Subdivision 4, as amended, and by adding subdivisions; 121.912, Subdivision 1; 121.917, Subdivision 4; 122.541, Subdivision 5; 123.937; 124.11, Subdivisions 2a and 2b; 124.19, Subdivision 4; 124.212, Subdivision 7d; 124.223; 124.224, Subdivision 8; 124.225; 124.245, Subdivisions 1 and 2; 124.247, Subdivisions 3 and 4; 124.271, Subdivisions 1a and 2; 124.561, Subdivision 3a; 124.562, Subdivisions 3 and 4; 124.5621, Subdivision 11, and by adding a subdivision; 124.5624, Subdivision 6; 124.5625; 124.565, Subdivisions 3 and 6; 124.566; 124.572, Subdivisions 2 and 7; 126.54, Subdivision 1; 275.125, Subdivisions 2a, 2b, 7a, 7b, 8, 9, 11a and 20; 353.01, Subdivision 2b; 354A.011, Subdivision 27; Laws 1959, Chapter 462, Section 3, as amended; Laws 1965, Chapter 705, as amended; Laws 1977, Chapter 85, Section 1, as amended; Laws 1979, Chapter 69, Sections 2 and 5; Chapter 334, Article V, Section 32, Subdivisions 6 and 7; Chapter 334, Article

VIII, Section 29; Laws 1980, Chapter 345, Section 17; repealing Minnesota Statutes 1978, Sections 121.92, Subdivision 1; 122.531, Subdivision 3; 122.85, Subdivision 7; 123.34, Subdivision 6; 123.39, Subdivision 3; 123.65; 125.61, Subdivisions 1a and 6; 126.31; 126.32; 126.33; 126.34; 126.35; 126.36, Subdivision 6; 126.37; 126.38; 126.39, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8 and 9; 126.40, Subdivisions 1 and 2; 126.41, Subdivisions 2, 3, 4, 5, 6 and 7; 126.42; 126.52, Subdivisions 1, 2, 3, 4, 6 and 7; 127.22; Minnesota Statutes, 1979 Supplement, Sections 16.93; 121.92, Subdivision 2; 124.222, Subdivision 3; 125.61, Subdivisions 1, 2, 3, 3a, 4, 4a and 4b; 126.39, Subdivision 10; 126.40, Subdivision 3; 126.41, Subdivision 1; 126.52, Subdivision 10; and Laws 1979, Chapter 334, Article V, Section 29, Subdivision 4."

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

House Conferees: BOB MCEACHERN, CARL M. JOHNSON, JOHN D. TOMLINSON, CONNIE M. LEVI and DAVID M. JENNINGS.

Senate Conferees: GENE MERRIAM, JERALD C. ANDERSON, ROBERT G. DUNN, JEROME M. HUGHES and NEIL DIETERICH.

McEachern moved that the report of the Conference Committee on H. F. No. 1781 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1781, 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 school districts, the commissioner of education, the department of education and others; aid for education of pupils of limited English proficiency; requiring the establishment of local policies to minimize chemical use problems; appropriating money; amending Minnesota Statutes 1978, Sections 120.095, Subdivision 6; 120.10, Subdivision 2; 121.88, by adding a subdivision; 122.22, Subdivisions 2 and 4; 122.23, Subdivisions 9 and 10; 122.25, Subdivision 1; 122.531, by adding subdivisions; 123.11, Subdivision 7; 123.36, by adding a subdivision; 123.39, Subdivision 3; 123.932, Subdivision 9, and by adding a subdivision; 124.20; 124.214, Subdivision 2; 124.572, Subdivision 7; 126.07; 126.36, Subdivision 3; 126.52, Subdivision 5, and by adding a subdivision; 126.54, Subdivisions 5 and 6; 127.09; 127.11; 127.21; 134.03; 134.08; 275.125, Subdivisions 5 and 5a; 354.05, Subdivision 2; Chapter 124, by adding a section; Chapter 125, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 120.075, Subdivision 4, and by adding a subdivision; 121.912, Subdivision 1; 122.541, Subdivision 5; 123.35, Subdivision 15; 124.01; 124.11, Subdivisions 2a and 2b, and by adding a subdivision; 124.19, Subdivision 4; 124.212, Subdivision 7d; 124.223; 124.225; 124.245, Subdivisions 1 and 2; 124.247, Subdivisions 3 and 4; 126.54, Subdivision 1; 124.561, Subdivision 3a; 124.562, Subdivisions 2, 3 and 4; 124.5621, Subdivision 11; 124.5624, Subdivision 6; 124.5625; 124.565, Subdivision 6; 124.566; 124.572, Subdivision 2;

275.125, Subdivisions 2a, 2b, 7a, 7b, 11a and 20; 353.01, Subdivision 2b; 354A.011, Subdivision 27; 465.72; Laws 1979, Chapter 69, Sections 2 and 5; Chapter 334, Article VI, Section 35, Subdivision 9; Article VIII, Section 29; repealing Minnesota Statutes 1978, Sections 122.531, Subdivision 3; 125.61, as amended; 126.31 to 126.35; 126.36, Subdivisions 5 and 6; 126.37; 126.38; 126.39, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8 and 9; 126.40, Subdivisions 1 and 2; 126.41, Subdivisions 2, 3, 4, 5, 6 and 7; 126.42; 126.52, Subdivisions 1, 2, 3, 4, 6 and 7; 127.22; Minnesota Statutes, 1979 Supplement, Sections 124.222, Subdivision 3; 126.39, Subdivision 10; 126.41, Subdivision 1; 126.52, Subdivision 10; Laws 1979, Chapter 334, Article V, Section 29.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kalis	Niehaus	Searles
Adams	Erickson	Kelly	Norman	Sherwood
Ainley	Esau	Kempe	Novak	Sieben, H.
Albrecht	Evans	Knickerbocker	Nysether	Sieben, M.
Anderson, B.	Ewald	Kostohryz	Olsen	Simoneau
Anderson, G.	Faricy	Kroening	Onnen	Stadum
Anderson, I.	Fjoslien	Kvam	Osthoff	Stoa
Battaglia	Forsythe	Laidig	Otis	Stowell
Begich	Friedrich	Lehto	Patton	Sviggum
Berglin	Fritz	Levi	Pehler	Swanson
Berkelman	Fudro	Long	Peterson, B.	Thiede
Biersdorf	Greenfield	Ludeman	Peterson, D.	Tomlinson
Blatz	Halberg	Luknic	Piepho	Valan
Byrne	Haukoos	Mann	Pleasant	Valento
Carlson, L.	Heap	McCarron	Prahl	Vanasek
Casserly	Heinitz	McDonald	Redalen	Waldorf
Clark	Hoberg	McEachern	Reding	Weaver
Clawson	Hokanson	Mehrkens	Rees	Welch
Corbid	Jacobs	Metzen	Reif	Welker
Crandall	Jaros	Minne	Rice	Wenzel
Dean	Jennings	Moe	Rodriguez	Wieser
Dempsey	Johnson, C.	Munger	Rose	Wigley
Den Ouden	Johnson, D.	Murphy	Rothenberg	Wynia
Drew	Jude	Nelsen, B.	Sarna	Zubay
Eken	Kahn	Nelsen, M.	Schreiber	Spkr. Norton
Elioff	Kaley	Nelson	Searle	

The bill was repassed, as amended by Conference, and its title agreed to.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 1842, A bill for an act relating to nuclear safety; providing for a nuclear power plant emergency response plan; providing for assessment of costs to nuclear power plants; requiring the departments of public safety and health to monitor, provide training, and prepare plans for nuclear power plant incidents; requiring a study; appropriating money; amending Minnesota Statutes 1978, Chapter 12, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 12.03, Subdivision 4; and 12.21, Subdivision 1.

PATRICK E. FLAHAVERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kahn moved that the House concur in the Senate amendments to H. F. No. 1842 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1842, A bill for an act relating to nuclear safety; providing for a nuclear power plant emergency response plan; providing for assessment of costs to nuclear power plants; requiring the departments of public safety and health to monitor, provide training, and prepare plans for nuclear power plant incidents; requiring a study; appropriating money; amending Minnesota Statutes 1978, Chapter 12, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 12.03, Subdivision 4; and 12.21, Subdivisions 1 and 4.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 116 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Aasness	Clawson	Fritz	Kalis	Metzen
Adams	Corbid	Fudro	Kelly	Minne
Anderson, B.	Crandall	Greenfield	Kempe	Moe
Anderson, G.	Dean	Halberg	Knickerbocker	Munger
Anderson, I.	Dempsey	Heap	Kostohryz	Murphy
Battaglia	Den Ouden	Heinitz	Kroening	Nelsen, B.
Begich	Drew	Hoberg	Kvam	Nelsen, M.
Berglin	Eken	Hokanson	Laidig	Nelson
Berkelman	Elioff	Jacobs	Lehto	Norman
Biersdorf	Erickson	Jaros	Long	Novak
Blatz	Esau	Jennings	Luknic	Nysether
Byrne	Evans	Johnson, D.	Mann	Olsen
Carlson, L.	Faricy	Jude	McCarron	Onnen
Casserly	Fjoslien	Kahn	McEachern	Osthoff
Clark	Forsythe	Kaley	Mehrkens	Otis

Patton	Rees	Searles	Swanson	Wenzel
Pehler	Reif	Sherwood	Thiede	Wieser
Peterson, B.	Rice	Sieben, H.	Tomlinson	Wynia
Peterson, D.	Rodriguez	Sieben, M.	Valan	Zubay
Piepho	Rose	Simoneau	Valento	Spkr. Norton
Pleasant	Rothenberg	Stadum	Vanasek	
Prahl	Sarna	Stoa	Waldorf	
Redalen	Schreiber	Stowell	Weaver	
Reding	Searle	Sviggum	Welch	

Those who voted in the negative were:

Ainley	Friedrich	Levi	McDonald	Welker
Albrecht	Haukoos	Ludeman	Niehaus	Wigley

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1696.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1696, A bill for an act relating to the legislature; proposing an amendment to Article IV, Section 23 of the Minnesota Constitution; extending the ordinary period for the governor to consider vetoing a bill; providing for a "veto session" of the legislature at which it may consider overriding a governor's veto of a bill returned after the legislature's adjournment.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Levi was excused while in conference committee.

SPECIAL ORDERS

S. F. No. 2085 was reported to the House.

Simoneau moved to amend S. F. No. 2085, the second unofficial engrossment, as follows:

Page 50, line 24, delete everything after "that" and insert: *"the petitioner is certified pursuant to section 179.67 as the exclusive representative of a majority of the employees included within the unit established by section 40 on the effective date of this section. Two or more employee organizations which represent the employees in a unit established by section 40, may petition jointly pursuant to this subdivision, provided that any organization may withdraw from a joint certification in favor of the remaining organization or organizations on 30 days notice to the remaining organization or organizations, the employer, and the director without effect upon the rights and obligations of the remaining organization or organizations or the employer. The director shall make a determination on a timely petition within 45 days of its receipt."*

Subd. 3. [NO EXISTING MAJORITY.] (1) *If no exclusive representative is certified under subdivision 2, the director shall certify an employee organization as exclusive representative for an appropriate unit established by section 40 upon a petition filed by the organization within the time period provided in subdivision 2, stating that the petitioner is certified pursuant to section 179.67 as the exclusive representative of fewer than a majority of the employees included within the unit established by section 40, where no other employee organization so certified has filed a petition within the time period provided in subdivision 2 so long as a majority of the employees in the unit established by section 40 are represented by employee organizations pursuant to section 179.67 on the effective date of this section. Two or more employee organizations, each of which represents employees included in the unit established by section 40 may petition jointly pursuant to this clause, provided that any organization may withdraw from a joint certification in favor of the remaining organization or organizations on 30 days notice to the remaining organization or organizations, the employer, and the director without effect upon the rights and obligations of the remaining organization or organizations or the employer. The director shall make a determination on a timely petition within 45 days of its receipt."*

Page 50, delete lines 25 to 31

Page 50, line 32, delete "Subd. 3. [NO EXISTING MAJORITY.]" and insert "(2)"

Page 50, line 33, after "2" insert "or subdivision 3, clause (1)"

Page 51, after line 18, insert

"Subd. 4. [DECERTIFICATION.] *Prior to January 1, 1981 the director shall consider a petition for decertification of an exclusive representative certified under this section only when*

the petition is filed within 60 days of the initial certification and only when the certification was made pursuant to subdivisions 2 or 3(1). The petition shall be considered under the provisions of section 179.67 except where they are inconsistent with this subdivision."

Page 51, line 19, delete "4" and insert "5"

A roll call was requested and properly seconded.

POINTS OF ORDER

Halberg raised a point of order pursuant to rule 3.4 that the Simoneau amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

Knickerbocker raised a point of order pursuant to section 398 of "Mason's Manual of Legislative Procedure" that the Simoneau amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

Halberg moved that the Simoneau amendment be laid on the table.

A roll call was requested and properly seconded.

Anderson, G., and Blatz were excused while in conference committee.

CALL OF THE HOUSE

On the motion of Sieben, H., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Den Ouden	Jaros	Mehrkens	Pleasant
Adams	Drew	Jennings	Metzen	Prahl
Ainley	Eken	Johnson, C.	Minne	Redalen
Albrecht	Elioff	Johnson, D.	Moe	Reding
Anderson, B.	Erickson	Jude	Munger	Rees
Anderson, I.	Esau	Kahn	Murphy	Reif
Battaglia	Evans	Kaley	Nelsen, B.	Rice
Begich	Ewald	Kalis	Nelsen, M.	Rodriguez
Berkelman	Faricy	Kelly	Nelson	Rose
Biersdorf	Fjoslien	Knickerbocker	Niehaus	Rothenberg
Blatz	Forsythe	Kostohryz	Norman	Sarna
Brinkman	Friedrich	Kroening	Novak	Schreiber
Byrne	Fritz	Kvam	Nysether	Searle
Carlson, D.	Fudro	Laidig	Olsen	Searles
Carlson, L.	Halberg	Lehto	Onnen	Sherwood
Casserly	Haukoos	Long	Osthoff	Sieben, H.
Clark	Heap	Ludeman	Otis	Simoneau
Clawson	Heinitz	Luknic	Patton	Stadum
Crandall	Hoberg	Mann	Peterson, B.	Stowell
Dean	Hokanson	McDonald	Peterson, D.	Sviggum
Dempsey	Jacobs	McEachern	Piepho	Swanson

Thiede	Valento	Weaver	Wenzel	Zubay
Tomlinson	Vanasek	Welch	Wieser	Spkr. Norton
Valan	Waldorf	Welker	Wigley	

Sieben, H., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question was taken on the Halberg motion to lay the Simoneau amendment on the table and the roll was called.

Hokanson was excused from voting pursuant to rule 2.5.

Sieben, H., moved that those not voting be excused from voting. The motion did not prevail.

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

There were 60 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Jennings	Nysether	Searles
Ainley	Evans	Kaley	Olsen	Sherwood
Albrecht	Farcy	Knickerbocker	Onnen	Stadum
Berkelman	Fjoslien	Kvam	Peterson, B.	Sviggum
Biersdorf	Forsythe	Laidig	Piepho	Thiede
Blatz	Friedrich	Levi	Pleasant	Valan
Crandall	Fritz	Ludeman	Redalen	Valento
Dean	Halberg	McDonald	Rees	Weaver
Dempsey	Haukoos	Mehrkens	Reif	Welker
Den Ouden	Heap	Nelsen, B.	Rothenberg	Wieser
Drew	Heinitz	Niehaus	Schreiber	Wigley
Erickson	Hoberg	Norman	Searle	Zubay

Those who voted in the negative were:

Adams	Eken	Kempe	Nelsen, M.	Sieben, H.
Anderson, B.	Elioff	Kostohryz	Nelson	Sieben, M.
Anderson, I.	Ellingson	Kroening	Novak	Simoneau
Battaglia	Ewald	Lehto	Osthoff	Stowell
Begich	Fudro	Long	Otis	Swanson
Berglin	Greenfield	Luknic	Patton	Tomlinson
Brinkman	Jacobs	Mann	Pehler	Vanasek
Byrne	Jaros	McCarron	Peterson, D.	Waldorf
Carlson, D.	Johnson, C.	McEachern	Prahl	Welch
Carlson, L.	Johnson, D.	Metzen	Reding	Wenzel
Casserly	Jude	Minne	Rice	Wynia
Clark	Kahn	Moe	Rodriguez	Spkr. Norton
Clawson	Kalis	Munger	Rose	
Corbid	Kelly	Murphy	Sarna	

The motion did not prevail.

The question recurred on the Simoneau amendment and the roll was called.

Stowell was excused from voting pursuant to rule 2.5.

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

There were 67 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Adams	Eken	Kostohryz	Nelson	Sieben, M.
Anderson, I.	Elioff	Kroening	Novak	Simoneau
Anderson, R.	Ellingson	Lehto	Osthoff	Stoa
Battaglia	Ewald	Long	Otis	Swanson
Begich	Fudro	Luknic	Patton	Tomlinson
Berglin	Greenfield	Mann	Pehler	Vanasek
Brinkman	Heap	McCarron	Peterson, D.	Voss
Byrne	Hokanson	McEachern	Prahl	Waldorf
Carlson, D.	Jacobs	Metzen	Reding	Welch
Carlson, L.	Johnson, C.	Minne	Rice	Wenzel
Casserly	Johnson, D.	Moe	Rodriguez	Spkr. Norton
Clark	Jude	Munger	Rose	
Clawson	Kahn	Murphy	Sarna	
Corbid	Kelly	Nelsen, M.	Sieben, H.	

Those who voted in the negative were:

Aasness	Erickson	Jennings	Norman	Searles
Ainley	Esau	Kaley	Nysether	Sherwood
Albrecht	Evans	Kalis	Olsen	Stadum
Anderson, B.	Faricy	Kempe	Onnen	Svigum
Anderson, D.	Fjoslien	Knickerbocker	Peterson, B.	Thiede
Berkelman	Forsythe	Kvam	Piepho	Valan
Biersdorf	Friedrich	Laidig	Pleasant	Valento
Blatz	Fritz	Levi	Redalen	Weaver
Crandall	Halberg	Ludeman	Rees	Welker
Dean	Haukoos	McDonald	Reif	Wieser
Dempsey	Heinitz	Mehrkens	Rothenberg	Wigley
Den Ouden	Hoberg	Nelsen, B.	Schreiber	Wynia
Drew	Jaros	Niehaus	Searle	Zubay

The motion prevailed and the amendment was adopted.

Murphy moved to amend S. F. No. 2085, the second unofficial engrossment, as follows:

Page 29, line 12, after "11" insert "*and organizations of supervisory employees of public employers in St. Louis county*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 18 yeas and 107 nays as follows:

Those who voted in the affirmative were:

Battaglia	Drew	Evans	Fudro	Hoberg
Berkelman	Elioff	Fritz	Haukoos	Jaros

Lehto
MinneMunger
MurphyPatton
Prah

Redalen

Wenzel

Those who voted in the negative were:

Aasness	Ellingson	Knickerbocker	Nysether	Stadum
Adams	Erickson	Kostohryz	Olsen	Stoa
Ainley	Esau	Kroening	Onnen	Stowell
Albrecht	Ewald	Kvam	Osthoff	Sviggum
Anderson, B.	Faricy	Laidig	Otis	Swanson
Begich	Fjoslien	Levi	Peterson, B.	Thiede
Berglin	Forsythe	Long	Peterson, D.	Tomlinson
Biersdorf	Greenfield	Ludeman	Piepho	Valan
Blatz	Halberg	Luknic	Reding	Valento
Brinkman	Heap	Mann	Rees	Vanasek
Byrne	Heinitz	McCarron	Reif	Waldorf
Carlson, D.	Hokanson	McDonald	Rice	Weaver
Carlson, L.	Jacobs	McEachern	Rodriguez	Welch
Casserly	Jennings	Mehrkens	Rose	Welker
Clark	Johnson, C.	Metzen	Rothenberg	Wieser
Clawson	Johnson, D.	Moe	Sarna	Wigley
Corbid	Jude	Nelsen, B.	Schreiber	Wynia
Crandall	Kahn	Nelsen, M.	Searle	Zubay
Dean	Kaley	Nelson	Searles	Spkr. Norton
Dempsey	Kalis	Niehaus	Sherwood	
Den Ouden	Kelly	Norman	Sieben, M.	
Eken	Kempe	Novak	Simoneau	

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

Olsen moved to amend S. F. No. 2085, the second unofficial engrossment, as follows:

Page 29, after line 12, insert a section to read:

"Sec. 28. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.665] (PROVISION OF POSITIONS.) *At least 90 days prior to July 1 of each odd-numbered year, the exclusive representative of the teachers shall provide the employer with a complete version of their initial proposals relating to proposed terms and conditions of employment. Within 30 days of the receipt of these proposals, the employer shall provide the teachers or their representative with a complete version of its initial proposals. Within 15 days of the receipt of the proposal by the employees, the school board and the employees, or their representatives, shall each present their initial proposals relating to proposed terms and conditions of employment at a meeting open to the public. At this meeting, the school board shall provide an opportunity for public response to these initial bargaining proposals."*

Renumber the sections accordingly and correct the internal section references

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

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

There were 48 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Redalen	Sviggum
Albrecht	Forsythe	Laidig	Rees	Thiede
Anderson, D.	Friedrich	Ludeman	Reif	Valan
Crandall	Halberg	McDonald	Rose	Valento
Dean	Haukoos	Mehrkens	Rothenberg	Weaver
Dempsey	Heap	Nelsen, B.	Schreiber	Wieser
Erickson	Heinitz	Niehaus	Searle	Wigley
Esau	Hoberg	Olsen	Searles	Zubay
Evans	Jennings	Peterson, B.	Sherwood	
Ewald	Kaley	Piepho	Stadum	

Those who voted in the negative were:

Adams	Corbid	Kahn	Munger	Rodriguez
Ainley	Den Ouden	Kalis	Murphy	Sarna
Anderson, B.	Drew	Kelly	Nelsen, M.	Sieben, H.
Anderson, I.	Eken	Kempe	Nelson	Simoneau
Battaglia	Elioff	Kostohryz	Norman	Stoa
Begich	Ellingson	Kroening	Novak	Stowell
Berglin	Faricy	Lehto	Nysether	Swanson
Berkelman	Fudro	Long	Onnen	Tomlinson
Brinkman	Greenfield	Luknic	Osthoff	Vanasek
Byrne	Hokanson	Mann	Otis	Waldorf
Carlson, D.	Jacobs	McCarron	Patton	Welch
Carlson, L.	Jaros	McEachern	Peterson, D.	Wenzel
Casserly	Johnson, C.	Metzen	Prahl	Wynia
Clark	Johnson, D.	Minne	Reding	Spkr. Norton
Clawson	Jude	Moe	Rice	

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

Laidig moved to amend S. F. No. 2085, the second unofficial engrossment, as follows:

Page 24, line 9, after "days" and before the semi-colon insert "*immediately prior to the expiration of the collective bargaining contract*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 48 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Laidig	Piepho	Thiede
Albrecht	Fritz	Ludeman	Pleasant	Valan
Blatz	Halberg	McDonald	Redalen	Valento
Crandall	Haukoos	Mehrkens	Rees	Weaver
Dean	Heinert	Nelsen, B.	Reif	Welker
Dempsey	Hoberg	Niehaus	Rothenberg	Wenzel
Den Ouden	Jennings	Nysether	Searles	Wigley
Drew	Johnson, D.	Olsen	Sherwood	Zubay
Erickson	Kalis	Onnen	Stadum	
Esau	Kvam	Peterson, B.	Svigum	

Those who voted in the negative were:

Adams	Clark	Kempe	Murphy	Sarna
Ainley	Corbid	Knickerbocker	Nelsen, M.	Sieben, H.
Anderson, B.	Elioff	Kostohryz	Nelson	Simoneau
Anderson, I.	Ewald	Kroening	Norman	Stoa
Battaglia	Faricy	Lehto	Novak	Stowell
Begich	Fjoslien	Long	Osthoff	Swanson
Berglin	Fudro	Luknic	Otis	Tomlinson
Berkelman	Greenfield	Mann	Patton	Vanasek
Brinkman	Hokanson	McCarron	Peterson, D.	Waldorf
Byrne	Jacobs	McEachern	Prahl	Welch
Carlson, D.	Jude	Metzen	Reding	Wieser
Carlson, L.	Kahn	Moe	Rice	Spkr. Norton
Casserly	Kelly	Munger	Rodriguez	

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

Ludeman moved to amend S. F. No. 2085, the second unofficial engrossment, as follows:

Page 28, after line 11, insert:

"Sec. 27. Minnesota Statutes 1978, Section 179.65, is amended by adding a subdivision to read:

Subd. 2a. State employees who are not dues paying members of the exclusive representative shall not be required by the representative to contribute a fair share fee if the representative was certified as the exclusive representative pursuant to section 41 unless:

a) the representative was certified pursuant to a secret ballot election; or

b) the representative files a petition with the director stating that more than 50 percent of the employees included within the unit established by section 40 wish to be represented by the petitioner, where this majority is evidenced by membership lists, current dues deduction rights, signed statements plainly indicating that the signatories wish to be represented for col-

lective bargaining purposes by the petitioner rather than by any other organization, or a combination thereof."

Renumber the subsequent sections

Correct internal cross-references

Further, amend the title as follows:

Page 1, line 18, after the semi-colon insert "179.65, by adding a subdivision;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 63 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Johnson, D.	Olsen	Sherwood
Ainley	Esau	Kaley	Onnen	Stadum
Albrecht	Evans	Kalis	Peterson, B.	Sviggum
Anderson, D.	Ewald	Knickerbocker	Piepho	Thiede
Biersdorf	Fjoslien	Kvam	Pleasant	Valan
Blatz	Forsythe	Laidig	Redalen	Valento
Brinkman	Friedrich	Levi	Rees	Weaver
Carlson, D.	Fritz	Ludeman	Reif	Welker
Crandall	Halberg	McDonald	Rose	Wieser
Dean	Haukoos	Mehrrens	Rothenberg	Wigley
Dempsey	Heinitz	Nelsen, B.	Schreiber	Zubay
Den Ouden	Hoberg	Niehaus	Searle	
Drew	Jennings	Nysether	Searles	

Those who voted in the negative were:

Adams	Elioff	Kostohryz	Nelson	Sieben, M.
Anderson, B.	Ellingson	Kroening	Norman	Simoneau
Anderson, I.	Farcy	Lehto	Novak	Stoa
Battaglia	Fudro	Long	Osthoff	Stowell
Begich	Greenfield	Luknic	Otis	Swanson
Berglin	Heap	Mann	Patton	Tomlinson
Berkelman	Hokanson	McCarron	Pehler	Vanasek
Byrne	Jacobs	McEachern	Peterson, D.	Waldorf
Carlson, L.	Jaros	Metzen	Prahl	Welch
Cassery	Johnson, C.	Minne	Reding	Wenzel
Clark	Jude	Moe	Rice	Spkr. Norton
Clawson	Kahn	Munger	Rodriguez	
Corbid	Kelly	Murphy	Sarna	
Eken	Kempe	Nelsen, M.	Sieben, H.	

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

S. F. No. 2085, A bill for an act relating to public employees; creating a state department of employee relations; establishing

appropriate units for state and university of Minnesota employees; providing for a right to strike; providing for interim contract approval by the legislative commission on employee relations; clarifying civil service laws; providing for health benefits; providing for a study of promotional systems; repealing duty of the revisor of statutes regarding certain collective bargaining agreements; appropriating money; amending Minnesota Statutes 1978, Sections 43.001; 43.01, Subdivision 8; 43.05, by adding a subdivision; 43.111; 43.18, Subdivision 4; 43.19, Subdivision 1; 43.245; 43.321; 43.45; 43.46; 179.63, Subdivisions 7 and 8; 179.64, Subdivisions 2, 3, 4, and 5, and by adding a subdivision; 179.67, Subdivision 4; 179.69; Subdivisions 1 and 3; 179.71, Subdivisions 3 and 5; 179.72, Subdivision 6; 179.74, Subdivisions 2 and 3; and Chapters 43 and 179, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 3.855; 43.05, Subdivision 2; 43.067, Subdivision 1; 43.19, Subdivision 1; 43.50, Subdivision 1; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5; and Laws 1979, Chapter 332, Article I, Sections 114 and 116; repealing Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.-081, Subdivision 5; and 179.64, Subdivision 7.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 88 yeas and 41 nays as follows:

Those who voted in the affirmative were:

Adams	Drew	Kaley	Nelsen, M.	Sarna
Ainley	Eken	Kelly	Nelson	Schreiber
Anderson, B.	Elihoff	Knickerbocker	Norman	Sieben, H.
Anderson, I.	Ellingson	Kostohryz	Novak	Sieben, M.
Battaglia	Ewald	Kroening	Osthoff	Simoneau
Begich	Fjoslien	Laidig	Otis	Stoa
Berglin	Fudro	Lehto	Patton	Sviggum
Berkelman	Greenfield	Levi	Pehler	Swanson
Biersdorf	Halberg	Long	Peterson, B.	Vanasek
Brinkman	Heap	Mann	Peterson, D.	Waldorf
Byrne	Heimitz	McCarron	Piepho	Weaver
Carlson, D.	Hoberg	McEachern	Prahl	Welch
Carlson, L.	Hokanson	Mehrkens	Rehing	Wenzel
Casserly	Jacobs	Metzen	Rees	Wigley
Clark	Johnson, C.	Minne	Reif	Zubay
Clawson	Johnson, D.	Moe	Rice	Spkr. Norton
Corbid	Jude	Munger	Rodriguez	
Dempsey	Kahn	Murphy	Rose	

Those who voted in the negative were:

Aasness	Forsythe	Ludeman	Redalen	Valan
Albrecht	Friedrich	Luknic	Rothenberg	Valento
Anderson, D.	Fritz	McDonald	Searle	Welker
Crandall	Haukoos	Nelsen, B.	Searles	Wieser
Dean	Jaros	Niehaus	Sherwood	Wynia
Den Ouden	Jennings	Nysether	Stadum	
Erickson	Kalis	Olsen	Stowell	
Esau	Kempe	Onnen	Thiede	
Faricy	Kvam	Pleasant	Tomlinson	

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

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Johnson, C., was excused for the remainder of today's session.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2040

The bill for an act relating to government data; providing definitions; classifying data as public, private, confidential, non-public, or protected non-public; amending Minnesota Statutes 1978, Sections 15.162, by adding subdivisions; 15.165, Subdivision 3; 600.23, Subdivision 3; and Chapter 15, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.163, Subdivisions 3, 5, and 9; 15.1642, Subdivisions 1 and 5; 15.166, Subdivision 4; 15.1692, Subdivision 2, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1698, Subdivision 1, and by adding subdivisions; repealing Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 4.

April 9, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2040, 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. 2040 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 15.162, Subdivision 2a, is amended to read:

Subd. 2a. "Confidential data on individuals" means data which is: (a) made not public by statute or federal law applicable to the data and is inaccessible to the individual subject of that data; or (b) collected by a civil or criminal investigative agency as part of an active investigation undertaken for the purpose of the commencement of a legal action, provided that the burden of proof as to whether such investigation is active or in anticipation of a legal action is upon the agency. Confidential data on individuals does not include arrest information that is reasonably contemporaneous with an arrest or incarceration. The provision of clause (b) shall terminate and cease to have force and effect with regard to the state agencies, political subdivisions, state-wide systems, covered by the ruling, upon the granting or refusal to grant a temporary classification pursuant to section 15.1642 of both criminal and civil investigative data, or on July 31, (1980) 1981, whichever occurs first.

Sec. 2. Minnesota Statutes 1978, Section 15.162, Subdivision 3, is amended to read:

Subd. 3. "Data on individuals" (INCLUDES ALL RECORDS, FILES AND PROCESSES WHICH CONTAIN ANY DATA) means all government data in which (AN) any individual, living or dead, is or can be identified (AND WHICH ARE RETAINED OR INTENDED TO BE RETAINED ON A PERMANENT OR TEMPORARY BASIS. IT INCLUDES DATA COLLECTED, STORED, OR DISSEMINATED BY MANUAL, MECHANICAL, ELECTRONIC OR ANY OTHER MEANS. DATA ON INDIVIDUALS ARE CLASSIFIED AS PUBLIC, PRIVATE OR CONFIDENTIAL) as the subject of that data, unless the appearance of the name or other identifying data can be clearly demonstrated to be only incidental to the data and the data are not accessed by the name or other identifying data of any individual.

Sec. 3. Minnesota Statutes 1978, Section 15.162, is amended by adding a subdivision to read:

Subd. 3a. "Data not on individuals" means all government data which is not data on individuals.

Sec. 4. Minnesota Statutes 1978, Section 15.162, is amended by adding a subdivision to read:

Subd. 5c. "Non-public data" means data not on individuals which is made by statute or federal law applicable to the data: (a) not public; and (b) accessible to the subject of the data.

Sec. 5. Minnesota Statutes 1978, Section 15.162, amended by adding a subdivision to read:

Subd. 5d. "Protected non-public data" means data not on individuals which is made by statute or federal law applicable to the data (a) not public and (b) not accessible to the subject of the data.

Sec. 6. Minnesota Statutes 1978, Section 15.162, is amended by adding a subdivision to read:

Subd. 5e. "Public data not on individuals" means data which is accessible to the public pursuant to section 15.1621.

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 15.1621, is amended by adding a subdivision to read:

Subd. 4. The classification of data in the possession of an agency shall change if it is required to do so to comply with either judicial or administrative rules pertaining to the conduct of legal actions or with a specific statute applicable to the data in the possession of the disseminating or receiving agency.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 15.1642, Subdivision 1, is amended to read:

15.1642 [TEMPORARY CLASSIFICATION.] Subdivision 1. [APPLICATION.] *Notwithstanding the provisions of section 15.1621, the responsible authority of a state agency, political subdivision or statewide system may apply to the commissioner for permission to classify data or types of data on individuals as private or confidential, or data not on individuals as non-public or protected non-public, for its own use and for the use of other similar agencies, political subdivisions or statewide systems on a temporary basis until a proposed statute can be acted upon by the legislature. The application for temporary classification is public.*

Upon the filing of an application for temporary classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 45 days, or until the application is disapproved or granted by the commissioner, whichever is earlier.

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 15.1642, is amended by adding a subdivision to read:

Subd. 2a. If the commissioner determines that an application for temporary classification involves data which would reasonably be classified in the same manner by all agencies, political subdivisions, or statewide systems similar to the one which made the application, the commissioner may approve or disapprove the classification for data of the kind which is the subject of the application for the use of all agencies, political subdivisions, or statewide systems similar to the applicant. If the commissioner deems this approach advisable, he shall provide notice of his intention by publication in the state register and by notification to the intergovernmental information systems advisory council, within ten days of receiving the application. Within 30 days after publication in the state register and notification to the council, an affected agency, political subdivision, the public, or statewide system may submit comments on the commissioner's proposal. The commissioner shall consider any comments received when granting or denying a classification for data of the kind which is the subject of the application, for the use of all agencies, political subdivisions, or statewide systems similar to the applicant. Within 45 days after the close of the period for submitting comment, the commissioner shall grant or disapprove the application. Applications processed under this subdivision shall be either approved or disapproved by the commissioner within 90 days of the receipt of the application. For purposes of subdivision 1, the data which is the subject of the classification shall be deemed to be classified as set forth in the application for a period of 90 days, or until the application is disapproved or granted by the commissioner, whichever is earlier. If requested in the application, or determined to be necessary by the commissioner, the data in the application shall be so classified for all agencies, political subdivisions, or statewide systems similar to the applicant until the application is disapproved or granted by the commissioner, whichever is earlier. Proceedings after the grant or disapproval shall be governed by the provisions of subdivision 3.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 15-1642, Subdivision 5, is amended to read:

Subd. 5. [EXPIRATION OF TEMPORARY CLASSIFICATION.] Emergency classifications granted before July 1, 1979 are redesignated as temporary classifications. All temporary classifications granted under this section prior to (JULY 1, 1979) the effective date of this act and still in effect, and all temporary classifications thereafter applied for and granted pursuant to this section shall expire on July 31, (1980) 1981 or 18 months after the classification is granted, whichever occurs later. (FOR PURPOSES OF THIS SECTION, ALL TEMPORARY CLASSIFICATIONS GRANTED PRIOR TO DECEMBER 1, 1979, SHALL BE TREATED AS IF THEY WERE GRANTED IN 1979.)

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 15-1642, Subdivision 5a, is amended to read:

Subd. 5a. [LEGISLATIVE CONSIDERATION AND EXPIRATION OF TEMPORARY CLASSIFICATIONS.] On or before January 15 of each year, the commissioner shall submit all temporary classifications (GRANTED IN THE PRIOR YEAR) *in effect on January 1* in bill form (FOR LEGISLATIVE CONSIDERATION. UNLESS ENACTED BY LAW, EACH TEMPORARY CLASSIFICATION SO SUBMITTED SHALL EXPIRE 18 MONTHS AFTER BEING GRANTED AND MAY NOT BE RENEWED MORE THAN ONCE) *to the legislature.*

Sec. 12. Minnesota Statutes 1978, Section 15.165, Subdivision 3, is amended to read:

Subd. 3. Upon request to a responsible authority, an individual shall be informed whether he is the subject of stored data on individuals, and whether it is classified as public, private or confidential. Upon his further request, an individual who is the subject of stored private *or public* data on individuals shall be shown the data without any charge to him and, if he desires, shall be informed of the content and meaning of that data. After an individual has been shown the private *or public* data and informed of its meaning, the data need not be disclosed to him for six months thereafter unless a dispute or action pursuant to this section is pending or additional data on the individual has been collected *or created*. The responsible authority shall provide copies of the private *or public* data upon request by the individual subject of the data. (THE COST OF PROVIDING COPIES SHALL BE BORNE BY THE INDIVIDUAL.) *The responsible authority may require the requesting person to pay the actual costs of making, certifying, and compiling the copies.*

The responsible authority shall comply immediately, if possible, with any request made pursuant to this subdivision, or within five days of the date of the request, excluding Saturdays, Sundays and legal holidays, if immediate compliance is not possible. If he cannot comply with the request within that time, he shall so inform the individual, and may have an additional five days within which to comply with the request, excluding Saturdays, Sundays and legal holidays.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 15.166, Subdivision 4, is amended to read:

Subd. 4. In addition to the remedies provided in subdivisions 1 to 3 or any other law, any aggrieved person may bring an action in district court to compel compliance with sections 15.1611 to 15.1698 and may recover costs and disbursements, including reasonable attorney's fees, as determined by the court. If the court determines that (A REQUEST FOR GOVERNMENT DATA) *an action brought under this subdivision* is frivolous and without merit and a basis in fact, it may award reasonable costs and attorney fees to the responsible authority. The matter shall be heard as soon as possible. In an action involving

a request for government data under section 15.1621 or 15.165, the court may inspect in camera the government data in dispute, but shall conduct its hearing in public and in a manner that protects the security of data classified as not public.

Sec. 14. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1672] [EXAMINATION DATA.] *Data consisting solely of testing or examination materials, or scoring keys used solely to determine individual qualifications for appointment or promotion in public service, or used to administer a licensing examination, or academic examination, the disclosure of which would compromise the objectivity or fairness of the testing or examination process are classified as nonpublic, except pursuant to court order.*

Sec. 15. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1673] [GENERAL NONPUBLIC DATA.] *Subdivision 1. As used in this section, the following terms have the meanings given them.*

(a) "Security information" means government data the disclosure of which would be likely to substantially jeopardize the security of information, possessions, individuals or property against theft, tampering, improper use, attempted escape, illegal disclosure, trespass, or physical injury.

(b) "Trade secret information" means government data, including a formula, pattern, compilation, program, device, method, technique or process (1) that was supplied by the affected individual or organization, (2) that is the subject of efforts by the individual or organization that are reasonable under the circumstances to maintain its secrecy, and (3) that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

(c) "Labor relations information" means management positions on economic and non-economic items that have not been presented during the collective bargaining process or interest arbitration, including information specifically collected or created to prepare the management position.

Subd. 2. *The following government data is classified as non-public data with regard to data not on individuals, pursuant to section 4, and as private data with regard to data on individuals, pursuant to section 15.162, subdivision 5a: Security information, trade secret information, sealed absentee ballots prior to opening*

by an election judge, sealed bids prior to the opening of the bid, and labor relations information.

Sec. 16. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1674] [DEFERRED ASSESSMENT DATA.] *Any data, collected by political subdivisions pursuant to section 435.193, which indicate the amount or location of cash or other valuables kept in the homes of applicants for deferred assessment, are private data pursuant to section 15.162, subdivision 5a.*

Sec. 17. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1675] [REVENUE DATA.] *The following data created, collected and maintained by the state department of revenue are classified as protected non-public, pursuant to section 5: criteria used in the computer processing of income tax returns to determine which returns are selected for audit; department criteria used to determine which income tax returns are selected for an in-depth audit; and department criteria and procedures for determining which accounts receivable balances below a specified amount are cancelled or written-off.*

Sec. 18. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1676] [SURPLUS LINE INSURANCE DATA.] *All data appearing on copies of surplus line insurance policies collected by the insurance division of the department of commerce pursuant to section 60A.20 are classified as private, pursuant to section 15.162, subdivision 5a.*

Sec. 19. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1677] [FEDERAL CONTRACTS DATA.] *To the extent that a federal agency requires it as a condition for contracting with a state agency or political subdivision, all government data collected and maintained by the state agency or political subdivision because that agency contracts with the federal agency are classified as either private or nonpublic depending on whether the data are data on individuals or data not on individuals.*

Sec. 20. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1678] [PROPERTY COMPLAINT DATA.] *The names of individuals who register complaints with state agencies or*

political subdivisions concerning violations of state laws or local ordinances concerning the use of property are classified as confidential, pursuant to section 15.162, subdivision 2a.

Sec. 21. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1679] [LIBRARY DATA.] *Subdivision 1. All records collected, maintained, used or disseminated by a public library shall be administered in accordance with the provisions of sections 15.1611 to 15.17.*

Subd. 2. That portion of records maintained by a public library which links a library patron's name with materials requested or borrowed by the patron or which links a patron's name with a specific subject about which the patron has requested information or materials is classified as private, pursuant to section 15.162, subdivision 5a, and shall not be disclosed except pursuant to a valid court order.

Sec. 22. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1680] [INVESTIGATIVE DETENTION DATA.] *Subdivision 1. [DEFINITION.] As used in this section, "investigative detention data" means government data created, collected, used or maintained by the state reformatories, prisons and correctional facilities, municipal or county jails, lockups, work houses, work farms and other correctional and detention facilities which: (a) if revealed, would disclose the identity of an informant who provided information about suspected illegal activities, and (b) if revealed, is likely to subject the informant to physical reprisals by others.*

Subd. 2. [GENERAL.] Investigative detention data is confidential and shall not be disclosed except:

(a) *Pursuant to section 15.163 or any other statute;*

(b) *Pursuant to a valid court order; or*

(c) *To a party named in a civil or criminal proceeding, whether administrative or judicial, to the extent required by the relevant rules of civil or criminal procedure.*

Sec. 23. Minnesota Statutes, 1979 Supplement, Section 15.1691, Subdivision 3, is amended to read:

Subd. 3. [INVESTIGATIVE DATA.] Data on persons including data on vendors of services, which is collected, maintained, used or disseminated by the welfare system in an investigation, authorized by statute and relating to the enforcement

of rules or law, is confidential pursuant to section 15.162, subdivision 2a, and shall not be disclosed except:

- (a) Pursuant to section 15.163;
- (b) Pursuant to statute or valid court order;
- (c) To a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense.

(AFTER PRESENTATION IN COURT, THE DATA SHALL BE PUBLIC DATA ON INDIVIDUALS TO THE EXTENT REFLECTED IN COURT RECORDS) *The data referred to in this subdivision shall be classified as public data upon its submission to a hearing examiner or court in an administrative or judicial proceeding.*

Sec. 24. Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 1, is amended to read:

15.1692 [PERSONNEL DATA.] Subdivision 1. As used in this section, "personnel data" means data on individuals collected because the individual is or was an employee of or an applicant for employment by, *performs services on a voluntary basis for, or acts as an independent contractor with a state agency, statewide system or political subdivision or is a member of an advisory board or commission.*

Sec. 25. Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 2, is amended to read:

Subd. 2. Except for employees described in subdivision 6, the following personnel data on current and former employees, *volunteers and independent contractors* of a state agency, statewide system or political subdivision *and members of advisory boards or commissions* is public: name; actual gross salary; salary range; *contract fees*; actual gross pension; the value and nature of employer paid fringe benefits; the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary; job title; job description; education and training background; previous work experience; date of first and last employment; the status of any complaints or charges against the employee, whether or not the complaint or charge resulted in a disciplinary action; and the final disposition of any disciplinary action and supporting documentation; *work location; a work telephone number; badge number; and, city and county of residence.*

Sec. 26. Minnesota Statutes, 1979 Supplement, Section 15.1693, Subdivision 2, is amended to read:

Subd. 2. Except as provided in subdivision 4, educational data is private data on individuals and shall not be disclosed except as follows:

- (a) Pursuant to section 15.163;
- (b) Pursuant to a valid court order;
- (c) Pursuant to a statute specifically authorizing access to the private data;
- (d) To disclose information in health and safety emergencies pursuant to the provisions of 20 U.S.C., Section 1232g(b)(1)(I) and 45 C.F.R., Section 99.36 which are in effect on July 1, 1979; (OR)

(e) Pursuant to the provisions of 20 U.S.C., Sections 1232g(b)(1), (b)(4)(A), (b)(4)(B), (b)(1)(B), (b)(3) and 45 C.F.R., Sections 99.31, 99.32, 99.33, 99.34 and 99.35 which are in effect on July 1, 1979; or

(f) To appropriate health authorities but only to the extent necessary to administer immunization programs.

Sec. 27. Minnesota Statutes, 1979 Supplement, Section 15.1698, Subdivision 1, is amended to read:

15.1698 [MEDICAL DATA.] Subdivision 1. [DEFINITION.] As used in this section (,): (a) "Directory information" means name of the patient, date admitted, general condition, and date released.

(b) "Medical data" means data collected because an individual was or is a patient or client of a hospital, nursing home, medical center, clinic, health or nursing agency operated by a state agency or political subdivision including business and financial records, and data provided by or about relatives of the individual.

Sec. 28. Minnesota Statutes, 1979 Supplement, Section 15.1698, is amended by adding a subdivision to read:

Subd. 4. [CLASSIFICATION OF MEDICAL DATA.] Unless the data is summary data or a statute specifically provides a different classification, medical data are private but are available only to the subject of the data as provided in section 144.335, and shall not be disclosed to others except;

- (a) Pursuant to section 15.163;*
- (b) Pursuant to a valid court order;*
- (c) To administer federal funds or programs;*

(d) *To the surviving spouse or next of kin of a deceased patient or client;*

(e) *To communicate a patient's or client's condition to a family member or other appropriate person in accordance with acceptable medical practice, unless the patient or client directs otherwise; or*

(f) *As otherwise required by law.*

Sec. 29. Minnesota Statutes 1978, Chapter 15, is amended by adding a section to read:

[15.1699] [EMPLOYEE ASSISTANCE DATA.] *All data created, collected or maintained by the department of administration to administer the employee assistance program are classified as private, pursuant to section 15.162, subdivision 5a.*

Sec. 30. Minnesota Statutes 1978, Section 600.23, Subdivision 3, is amended to read:

Subd. 3. [WITHDRAWAL.] Papers and instruments so deposited shall not be *made public* or withdrawn from (SUCH) *the* office except upon the written order of the person depositing the same, or his executors or administrators, or on the order of some court for the purpose of being read in (SUCH) *the* court, and then to be returned to (SUCH) *the* office. (WHEN SO DEPOSITED, THEY SHALL BE OPEN TO THE EXAMINATION OF ANY PERSON DESIRING THE SAME UPON PAYMENT OF THE FEES, IF ANY, ALLOWED BY LAW.)

Sec. 31. Laws 1978, Chapter 790, Section 5, Subdivision 2, is amended to read:

Subd. 2. Section 3 is effective April 1, (1980) 1981.

Sec. 32. [REPEALER.] *Minnesota Statutes, 1979 Supplement, Sections 15.1692, Subdivision 4, and 15.1698, Subdivision 2, are repealed.*

Sec. 33. [EFFECTIVE DATE.] *This act is effective the day following enactment.*"

Delete the title in its entirety and insert:

"A bill for an act relating to privacy; providing for the collection and dissemination of government data; classifying data as private, confidential, nonpublic or public; amending Minnesota Statutes 1978, Sections 15.162, Subdivision 3, and by adding subdivisions; 15.165, Subdivision 3; 600.23, Subdivision 3; and Chapter 15, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.1621, by adding a

subdivision; 15.1642, Subdivisions 1, 5, 5a, and by adding a subdivision; 15.166, Subdivision 4; 15.1691, Subdivision 3; 15.1692, Subdivisions 1 and 2; 15.1693, Subdivision 2; and 15.1698, Subdivision 1, and by adding a subdivision; and Laws 1978, Chapter 790, Section 5, Subdivision 2; repealing Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 4; and 15.1698, Subdivision 2."

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

House Conferees: TOM STOA, TERRY M. DEMPSEY and SHIRLEY A. HOKANSON.

Senate Conferees: ROBERT J. TENNESSEN, IRVING M. STERN and JOHN B. KEEFE.

Stoa moved that the report of the Conference Committee on H. F. No. 2040 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2040, A bill for an act relating to government data; providing definitions; classifying data as public, private, confidential, non-public, or protected non-public; amending Minnesota Statutes 1978, Sections 15.162, by adding subdivisions; 15.165, Subdivision 3; 600.23, Subdivision 3; and Chapter 15, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.163, Subdivisions 3, 5, and 9; 15.1642, Subdivisions 1 and 5; 15.166, Subdivision 4; 15.1692, Subdivision 2, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1698, Subdivision 1, and by adding subdivisions; repealing Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 4.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Casserly	Evans	Hokanson	Lehto
Adams	Clark	Ewald	Jacobs	Long
Ainley	Clawson	Faricy	Jennings	Ludeman
Albrecht	Corbid	Fjoslien	Johnson, D.	Luknic
Anderson, B.	Crandall	Forsythe	Jude	Mann
Anderson, I.	Dean	Friedrich	Kahn	McCarron
Battaglia	Dempsey	Fritz	Kaley	McDonald
Begich	Den Ouden	Fudro	Kelly	McEachern
Berglin	Drew	Greenfield	Kempe	Mehrkens
Berkelman	Eken	Halberg	Knickerbocker	Metzen
Biersdorf	Elioff	Haukoos	Kostohryz	Minne
Brinkman	Ellingson	Heap	Kroening	Moe
Byrne	Erickson	Heinitz	Kvam	Munger
Carlson, D.	Esau	Hoberg	Laidig	Murphy

Nelsen, B.	Patton	Reif	Simoneau	Waldorf
Nelsen, M.	Pehler	Rice	Stadum	Weaver
Nelson	Peterson, B.	Rodriguez	Stoa	Welch
Niehaus	Peterson, D.	Rose	Stowell	Welker
Norman	Piepho	Sarna	Sviggum	Wenzel
Novak	Pleasant	Schreiber	Thiede	Wieser
Nysether	Prahl	Searles	Tomlinson	Wigley
Olsen	Redalen	Sherwood	Valan	Wynia
Osthoff	Reding	Sieben, H.	Valento	Zubay
Otis	Rees	Sieben, M.	Vanasek	Spkr. Norton

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1453

A bill for an act relating to retirement; authorizing payment of severance pay to retiring employees; validating past payments; amending Minnesota Statutes 1978, Section 356.24; and Minnesota Statutes, 1979 Supplement, Section 465.72.

April 2, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1453, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1453 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 43.051, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of subdivision 1, any employee of the state of Minnesota in a covered classification as defined in section 352.91, who is a member of the special retirement program for correctional personnel established pursuant to sections 352.90 to 352.95, (SHALL) *may elect or be required to* retire from employment in the covered correctional position upon reaching the age of 55 years (, UNLESS THE PERSON APPLIES FOR AND RECEIVES FROM THE COMMISSIONER OF CORRECTIONS, OR THE COMMISSIONER OF PUBLIC WELFARE IF THE APPOINTING AUTHORITY IS THE MINNESOTA SECURITY HOSPITAL AN EXTENSION BEYOND THE CONDITIONAL MANDATORY RETIREMENT AGE).

(A COVERED CORRECTIONAL EMPLOYEE MAY BE EMPLOYED BEYOND THE MANDATORY RETIREMENT AGE, BUT NOT BEYOND THE AGE OF 65 YEARS.) A correctional employee *occupying a position specified as covered by the provisions of section 352.91*, desiring employment beyond the conditional mandatory retirement age shall, *at least 30 days prior to the date of reaching the conditional mandatory retirement age of 55 years*, and annually thereafter, request in writing to the person's appointing authority that he be authorized to continue in employment *in the covered position*. Upon receiving the request, the appointing authority shall have a medical examination made of the employee. *If the results of the medical examination* (, TOGETHER WITH THE DETERMINATION AND CERTIFICATION OF THE APPOINTING AUTHORITY AS TO) *establish the mental and physical ability of the employee to continue* (TO FULFILL) the duties of his employment, *he shall be continued in his employment for the following year* (, SHALL BE TRANSMITTED TO THE COMMISSIONER OF CORRECTIONS OR THE COMMISSIONER OF PUBLIC WELFARE IF THE APPOINTING AUTHORITY IS THE MINNESOTA SECURITY HOSPITAL). If the determination of the appointing authority (RELATING TO AN EMPLOYEE) *based upon the results of the physical examination* is adverse, the disposition of the matter shall be decided by the commissioner of corrections or of public welfare, (WHICHEVER IS APPLICABLE,) *if the appointing authority is the Minnesota security hospital*. Based on the information provided (TO HIM.), the decision of the applicable commissioner shall be made in writing and shall be final.

Sec. 2. Minnesota Statutes 1978, Section 352.90, is amended to read:

352.90 [CORRECTIONAL EMPLOYEES.] It is the policy of the legislature to provide special retirement benefits and contributions for certain correctional employees who (, BECAUSE OF THE NATURE OF THEIR EMPLOYMENT, ARE) *may be required to retire at an early age because they are unable to retain the mental or physical capacity required to maintain the safety, security, discipline and custody of inmates at state adult correctional facilities*. For the purpose of chapter 356, the actuary shall make separate reports with respect to these employees. Except as otherwise provided, the provisions of this chapter, apply to covered correctional employees.

Sec. 3. Minnesota Statutes 1978, Section 352.91, Subdivision 1, is amended to read:

352.91 [COVERED CORRECTIONAL SERVICE.] Subdivision 1. Covered correctional service means: (a) services performed on, before, or after July 1, 1973, by a state employee, as defined in section 352.01, as an attendant guard, attendant guard supervisor, correctional captain, correctional counselor

I, correctional counselor II, correctional counselor III, correctional counselor IV, correctional lieutenant, correctional officer, correctional sergeant, director of attendant guards and guard farmer garden, provided the employee was employed in such position on July 1, 1973 or thereafter; (b) services performed before July 1, 1973 by an employee covered under clause (a) in a position classified as a houseparent, special schools counselor, shop instructor or guard instructor; and (c) services performed before July 1, 1973 in a position listed in clause (a) and positions classified as houseparent, guard instructor and guard farmer dairy, by a person employed on July 1, 1973 in a position classified as a license plant manager, prison industry foreman (general, metal fabricating and foundry), prison industry supervisor, food service manager, prison farmer supervisor, prison farmer assistant supervisor or rehabilitation therapist employed at the Minnesota security hospital. However an employee shall not be covered hereunder if first employed after July 1, 1973 and who because of his age could not acquire (TEN YEARS OF) *sufficient* service to qualify for an annuity as a correctional employee.

Sec. 4. Minnesota Statutes 1978, 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) *correctional facility-St. Cloud*, the (STATE PRISON) *Minnesota correctional facility-Stillwater* and the Minnesota correctional (INSTITUTION FOR WOMEN) *facility-Shakopee* on or after July 1, 1974, other than any such employees who are 62 years of age or older as of July 1, 1974, *and, effective the first payroll period after June 1, 1980, shall also include those employees of the Minnesota correctional facility-Lino Lakes and the employees of any other adult state correctional facility which may be established, who perform covered correctional service after June 1, 1980.* For each special teacher who on July 1, 1974 is employed at one of the foregoing (INSTITUTIONS) *facilities* 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) *facility* educational administrator and supervisor.

Sec. 5. Minnesota Statutes 1978, Section 352.91, is amended by adding a subdivision to read:

Subd. 4. Upon the recommendation of the commissioner of corrections or the commissioner of public welfare, whichever

is the appropriate employing authority, with the approval of the legislative advisory committee and with notification to and receipt of comments from the legislative commission on pensions and retirement, the commissioner of personnel may certify additional civil service classifications at state adult correctional or security hospital facilities to the executive director of the Minnesota state retirement system as positions rendering covered correctional service.

Sec. 6. Minnesota Statutes 1978, Section 352B.08, Subdivision 2, is amended to read:

Subd. 2. The annuity shall be paid in monthly installments equal to that portion of the average monthly salary of the member multiplied by two and one-half percent for each year and pro rata for completed months of service not exceeding 20 years and two percent for each year and pro rata for completed months of service in excess of 20 years. Effective June 1, 1973, "average monthly salary" shall mean the average of the monthly salaries for the five high years of service as a member. The monthly salary for the period prior to July 2, 1969 shall be deemed to be \$600. In lieu of the life annuity herein provided, the member or former member with 10 years or more of service may elect a joint and survivor annuity, payable to (THE SURVIVING SPOUSE) *a designated beneficiary* for life, adjusted to the actuarial equivalent value of such life annuity. The joint and survivor annuity elected by a member may also provide that the elected annuity be reinstated to the life annuity herein provided, if after drawing the elected joint and survivor annuity, the (SPOUSE) *designated beneficiary* dies prior to the death of the member. This reinstatement shall not be retroactive but shall be in effect for the first full month subsequent to the death of the (SURVIVING SPOUSE) *designated beneficiary*. This additional joint and survivor option with reinstatement clause shall be adjusted to the actuarial equivalent value of a regular life annuity. The member with ten or more years of service or the former member with 20 years or more of allowable service credit is deemed to have elected a 100 percent joint and survivor annuity payable to a surviving spouse only on or after the member's 55th birthdate.

Sec. 7. Minnesota Statutes 1978, Section 356.24, is amended to read:

356.24 [SUPPLEMENTAL PENSION OR DEFERRED COMPENSATION PLANS, RESTRICTIONS UPON GOVERNMENT UNITS.] Upon passage of this section, it shall be unlawful for a school district or other governmental subdivision or state agency to levy taxes for, or contribute public funds to a supplemental pension or deferred compensation plan which is maintained and operated in addition to a primary pension program for the benefit of the governmental subdivision employees. This section shall not apply to supplemental pension plans which are maintained and operated prior to passage of this section, ex-

cept that, any changes in benefits or employer contributions after the passage of this section shall be made pursuant to legislative authorization. This section does not apply to plans that provide only for group health, hospital, disability, or death benefits, *nor to a plan which provides for the payment of severance pay as authorized by section 465.72 to a retiring or terminating employee.*

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 465.72, is amended to read:

465.72 [SEVERANCE PAY.] Except as may otherwise be provided in Laws 1959, Chapter 690, as amended, all counties, cities, townships, (AND) school districts *or other governmental subdivisions* are hereby authorized and empowered to pay severance pay to all of its employees and to establish, prescribe and promulgate provisions, rules and regulations for the payment of such severance pay upon leaving employment *on or prior or subsequent* to the normal retirement date. *Severance pay shall also include the payment of accumulated vacation leave, accumulated sick leave or a combination thereof.* Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid in a manner mutually agreeable to the employee and employer over a period not to exceed five years from *retirement or* termination of employment. In the event that a *retired or* terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. In no event shall severance pay provided for an employee except a teacher as defined in section 179.63, subdivision 13, leaving employment exceed an amount equivalent to 100 days pay. Severance pay for a teacher as defined in section 179.63, subdivision 13, shall not exceed an amount equivalent to one year of pay.

Sec. 9. [465.721] [FUNDING.] *No county, city, township, school district or other governmental subdivision shall implement a plan for payment of severance pay pursuant to section 8 until a plan providing for full funding has been developed and approved by the governing body.*

Sec. 10. Minnesota Statutes 1978, Section 473.417, as amended by Laws 1980, Chapter 342, Section 16, is amended to read:

473.417 [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 metropoli-

tan 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 until the unfunded accrued liability amount of (\$7,-260,518) \$7,307,545 plus compound interest from July 1, 1978 at the rate of six percent per annum on the average unpaid balance is amortized, as determined by the executive director of the Minnesota state retirement system.

Sec. 11. Laws 1953, Chapter 91, Section 1, Subdivision 7, as amended by Laws 1975, Chapter 408, Section 1, is amended to read:

Subd. 7. [DULUTH, CITY OF; POLICE PENSIONS.] "Spouse" means a person who was the legal husband or wife of a member at the time of the member's death, and includes a person who was the legal husband or wife of any pensioner or deferred service pensioner at the time of the member's death who was married to the member at least (A TOTAL OF THREE YEARS) *one year* prior to the member's retirement from the department.

Sec. 12. Laws 1955, Chapter 151, Section 1, Subdivision 5, as amended by Laws 1963, Chapter 271, Section 2, is amended to read:

Subd. 5. ("WIDOW") "*Surviving spouse*" means a (WOMAN) *person* who was the (WIFE) *spouse* of a member or a pensioner while he *or she* was an active member, and who, in case the deceased member was a service pensioner, deferred pensioner, *or on duty* or non duty disability pensioner, was married to the member at least one year before his *or her* retirement from the police department; but does not include a surviving (WIFE) *spouse* of a member or a pensioner who deserts him *or her* or a common law (WIFE) *spouse* of a member or a pensioner.

Sec. 13. Laws 1955, Chapter 151, Section 3, Subdivision 2, is amended to read:

Subd. 2. This association shall create, maintain, and administer a policemen's pension fund for the benefit of its members, their (WIDOWS) *surviving spouses*, and their children.

Sec. 14. Laws 1955, Chapter 151, Section 13, as amended by Laws 1963, Chapter 271, Section 7, and Laws 1971, Chapter 549, Section 2, is amended to read:

Sec. 13. The association shall pay a pension to the (WIDOW) *surviving spouse* or any child under 18 years of age of any pensioned and retired member, or to the (WIDOW) *surviving*

spouse or any child under 18 years of age of any member who dies while in the service of the city police department, or to the (WIDOW) *surviving spouse* or any child under 18 years of age of any member who, after being a member of the city police department for not less than 20 years, severs his or her connection with the department, and dies before attaining the age of 50 years. The association shall pay to any such (WIDOW) *surviving spouse* a pension of 20 units per month. The association shall pay to any such child under 18 years of age a pension of five units per month until the child attains the age of 18 years, provided, however, that if such child is married at the time of the death of the member or marries or becomes legally adopted after the death of the member, (SUCH) *the* child shall not be entitled to such benefits. If the (WIDOW) *surviving spouse* and children reside together, the pension payable to the children shall be paid to the (WIDOW) *surviving spouse* and shall be used for the support of (SUCH) *the* children. If a (WIDOW) *surviving spouse* remarries, (HER) *the* pension immediately ceases and the association shall not make any further pension payments (TO HER). For the purposes of this section, all provisions governing a child under 18 shall be extended to include a full time student under the age of 23.

Sec. 15. Laws 1955, Chapter 151, Section 16, is amended to read:

Sec. 16. [SURVIVING SPOUSE AND CHILD OF MEMBER CONVICTED OF A FELONY.] If a member convicted of a felony is receiving a pension at the time of (HIS) conviction and his (WIFE) or *her surviving spouse* and any (OF HIS) children under 18 years of age had no part in the commission of (SUCH) *the* felony, in the event of the death of (SUCH) *the* member, (SUCH WIDOW) *the surviving spouse* and children may receive (SUCH) *any* pensions as they would otherwise be entitled to receive from the association.

Sec. 16. [PENSION COVERAGE FOR MOORHEAD POLICE CHIEF.] *Notwithstanding Minnesota Statutes, Section 353.64, Subdivision 1, or any other general or special law to the contrary, the person employed by the city of Moorhead on the effective date of this act as chief of police shall be a member of the public employees police and fire fund established by Minnesota Statutes, Sections 353.63 to 353.68 and not of the local police relief association. Any employee contributions made to the local police relief association shall be transferred to the public employees police and fire fund. In addition an amount which together with the amount transferred is equal to the total employer and employee contributions pursuant to Minnesota Statutes, Section 353.65, which would have been required by the public employees police and fire fund during the period between initial employment as chief of police and the effective date of this act, shall be paid by the city into the public employees police and fire fund, which shall credit the chief of police with service as a member for this period only upon receipt of the required amounts.*

Sec. 17. [RETIREMENT COVERAGE FOR CERTAIN ST. LOUIS PARK POLICE OFFICERS.] *Notwithstanding any provision of Minnesota Statutes, Section 353.64, Subdivision 1, or any other general or special law to the contrary, a person who was employed by the city of St. Louis Park as a police officer during the period from September of 1967 through July of 1977 shall upon (1) reemployment as a St. Louis Park police officer and (2) repayment of employee contributions previously refunded to him plus interest on the refund amount at the rate of six percent per annum compounded annually from the date the refund was taken until the date the refund was repaid and (3) the completion of additional service sufficient to total ten years or more, be entitled to transfer all allowable service credit in the St. Louis Park police relief association to the public employees police and fire fund. Upon fulfillment of the above conditions and application by the individual, but not later than December 31, 1986, the St. Louis Park police relief association shall pay to the public employees police and fire fund an amount equal to the combined employer and employee contributions made by or on behalf of the individual plus compound interest thereon at the rate of six percent per annum from the date originally received. In calculating the amount of employer contributions made on behalf of the individual, the amounts which represent the annual pro rata share of all amounts received by the St. Louis Park police relief association, excluding interest on the accumulated assets of the relief association and member contributions, determined on basis of the number of active members each year, shall be utilized. If the amount thus paid is greater than the total of contributions which would have been required had the individual been a member of the public employees police and fire fund during the periods when the service was rendered, the amount of the excess shall be refunded to the St. Louis Park police relief association. If the amount paid is less than the required amount, the individual shall pay this amount, unless the governing body of the city of St. Louis Park elects to make the payment. No service credit in the public employees police and fire fund shall be granted until all conditions of this section have been fulfilled and all required payments have been made.*

Sec. 18. [INVESTMENT OF FUNDS.] *The funds of either the Rochester fire department relief association or the Rochester police relief association shall be invested in securities which are proper investments for funds of the Minnesota state retirement system, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the three percent stock limitation applicable to the Minnesota state retirement system would necessitate a lesser investment. The governing board of the applicable association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board of investment under the provisions of Minnesota Statutes, Section 11.21, provided that there be no limit to the amount which may be invested in the income share account described in section 11.18,*

subdivision 2, or in the fixed-return account described in section 11.18, subdivision 3a, and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental retirement fund may be invested in the growth share account described in section 11.18, subdivision 3.

Sec. 19. [PURCHASE OF PRIOR SERVICE BY CERTAIN EMPLOYEES OF THE METROPOLITAN TRANSIT COMMISSION—TRANSIT OPERATING DIVISION.] *Subdivision 1. [ELIGIBILITY.] A person who was employed continuously by the Twin City Lines bus company and by the metropolitan transit commission, its successor in interest from March 3, 1948 until October 1, 1970, who was employed from October 1, 1970 until June 26, 1978 by the management firm retained by the metropolitan transit commission to manage the transit operating division, and who was reemployed since June 26, 1978 by the metropolitan transit commission, may elect to purchase prior service credit in the Minnesota state retirement system for prior service as an employee of the management firm; not to exceed three years and 11 months of service credit.*

Subd. 2. [PAYMENT FOR PURCHASE OF PRIOR SERVICE.] To purchase the prior service credit, the person described in subdivision 1 shall make a payment equal to four percent of the salary of the person for the period of prior service to be purchased, plus interest at the rate of six percent per annum compounded annually from the date the contributions otherwise would have been made to the date payment is actually made. If the person described in subdivision 1 elects to make the purchase of prior service, the payment of the required amounts shall be made in a lump sum prior to July 1, 1981. The period of allowable service shall be credited to the person only after receipt of the necessary payment by the executive director of the Minnesota state retirement system. The person described in subdivision 1 shall supply certified documentation of prior service and the compensation received for that service. The prior service to be purchased shall be the most recent period of prior service.

Subd. 3. [ENTITLEMENT TO ANNUITY.] A person who purchases a period of prior service pursuant to subdivision 2 shall be entitled: (1) to have the period of prior service purchased considered as "allowable service" within the meaning of Minnesota Statutes, Section 352.01, Subdivision 11 and considered as continuous state service within the meaning of section 352.113, subdivision 1; (2) to have the salary for the period of prior service purchased considered as "salary" within the meaning of section 352.01, subdivision 13; and (3) to have the remaining period of prior service as an employee of the management firm in excess of three years and 11 months considered as service in a public employee retirement system in the state of Minnesota having a like provision within the meaning of section 352.72, subdivision 1.

Sec. 20. [RETROACTIVE DISABILITY BENEFITS FOR CERTAIN MEMBERS OF THE TEACHERS RETIREMENT ASSOCIATION.] *Notwithstanding any contrary provision of Minnesota Statutes, Section 354.48, Subdivision 2, an employee of the Brainerd Community College who was totally and permanently disabled as defined in Minnesota Statutes, Section 354.05, Subdivision 14, for the period of December 18, 1976, through January 8, 1978, shall be entitled to retroactive disability benefits for the period of the disability, not to exceed one year. The retroactive disability benefits paid shall not exceed the amount of \$2,840.80.*

Sec. 21. [VALIDATION OF PRIOR PAYMENTS.] *Any payments or agreements for payments of severance pay made or authorized by a county, city, township, school district or other governmental subdivision prior to the effective date of this section which are within the limitations contained in sections 7 and 8 are hereby validated.*

Sec. 22. [REPEALER.] *Laws 1959, Chapter 131, Section 25, as amended by Laws 1969, Chapter 694, Section 7; and Laws 1969, Chapter 641, Section 5, are repealed.*

Sec. 23. [EFFECTIVE DATE.] *Sections 1, 2, 3, 4 and 5 are effective June 1, 1980. Section 6 is effective the day following final enactment and shall apply to a member or former member making application for benefits thereafter. Sections 7, 8, 9, 10, 19, 20 and 21 are effective the day following final enactment. Sections 11, 12, 13, 14, 15, 16, 17, and 18 are effective upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3. Section 22 is effective upon approval by the governing body of the city of Rochester and upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3."*

Further, delete the title and insert:

"A bill for an act relating to retirement; changing the provisions governing and the coverage of various state and local public employee retirement plans; authorizing the payment of severance pay to retiring employees; amending Minnesota Statutes 1978, Sections 352.90; 352.91, Subdivisions 1 and 2, and by adding a subdivision; 352B.08, Subdivision 2; 356.24; 473.417, as amended; and Minnesota Statutes, 1979 Supplement, Sections 43.051, Subdivision 3; and 465.72; and Laws 1953, Chapter 91, Section 1, Subdivision 7, as amended; Laws 1955, Chapter 151, Sections 1, Subdivision 5, as amended; 3, Subdivision 2; 13, as amended; and 16; and repealing Laws 1959, Chapter 131, Section 25, as amended; and Laws 1969, Chapter 641, Section 5."

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

House Conferees: DEAN E. JOHNSON, AL PATTON and DONALD M. MOE.

Senate Conferees: A. O. H. SETZEPFANDT, COLLIN C. PETERSON and HARMON T. OGDahl.

Johnson, D., moved that the report of the Conference Committee on H. F. No. 1453 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1453, A bill for an act relating to retirement; authorizing payment of severance pay to retiring employees; validating past payments; amending Minnesota Statutes 1978, Section 356.24; and Minnesota Statutes, 1979 Supplement, Section 465.72.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kelly	Norman	Sieben, H.
Adams	Erickson	Kempe	Novak	Sieben, M.
Ainley	Esau	Knickerbocker	Nysether	Simoneau
Albrecht	Evans	Kostohryz	Olsen	Stadum
Anderson, B.	Ewald	Kroening	Onnen	Stoa
Anderson, I.	Faricy	Kvam	Osthoff	Stowell
Battaglia	Fjoslien	Laidig	Otis	Sviggum
Begich	Forsythe	Lehto	Patton	Swanson
Berglin	Friedrich	Long	Peterson, B.	Thiede
Berkelman	Fritz	Ludeman	Peterson, D.	Tomlinson
Biersdorf	Fudro	Luknic	Piepho	Valan
Brinkman	Greenfield	Mann	Pleasant	Valento
Byrne	Haukoos	McCarron	Prahl	Vanasek
Carlson, D.	Heap	McDonald	Redalen	Waldorf
Carlson, L.	Heinitz	McEachern	Reading	Weaver
Casserly	Hoberg	Mehrkens	Rees	Welch
Clark	Hokanson	Metzen	Reif	Welker
Clawson	Jacobs	Minne	Rice	Wenzel
Corbid	Jaros	Moe	Rodriguez	Wieser
Crandall	Jennings	Munger	Rose	Wigley
Dean	Johnson, D.	Murphy	Rothenberg	Wynia
Dempsey	Jude	Nelsen, B.	Sarna	Zubay
Den Ouden	Kahn	Nelsen, M.	Schreiber	Spkr. Norton
Drew	Kaley	Nelson	Searles	
Eken	Kalis	Niehaus	Sherwood	

The bill was repassed, as amended by Conference, and its title agreed to.

REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, for the Committee on Rules and Legislative Administration, offered the following report:

Special Orders pending for today have been renumbered in the following sequence:

S. F. Nos. 134, 630, 2100, 251, 2099, 2104, 1398, 1340, 1906, 2077, 1662, 1802, 2183, 2193, 1658, 119, 2131, 895, 1644, 1741, 1605, 1618, 1166, 1115, 1729, 1028 and 1752.

Eken, for the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as Special Orders to be acted upon immediately following S. F. No. 2077:

S. F. No. 1950 and 1006.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2429, A bill for an act relating to financial institutions; granting certain lending powers to savings associations and savings and loan associations; providing for interest rates on certain installment loans; changing the penalty for usurious loans made by banks, savings banks, savings associations, credit unions and certain other lenders; amending Laws 1980, Chapter 522, Section 1; Minnesota Statutes 1978, Sections 334.02; 334.03; and Chapter 48, by adding a section.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 129.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 129

A bill for an act relating to reapportionment of the legislature and congressional districts; proposing an amendment to the Minnesota Constitution, Article IV, Sections 2, 3 and 4 to provide for establishment of the boundaries of congressional and legislative districts by a commission, removing the requirement that all senators be elected at the first general election following an apportionment and limiting the power of the legislature to change the number of senators and representatives; implementing the proposed amendment by providing by law for the duties, powers and operation of the commission; and repealing Minnesota Statutes 1978, Sections 2.041 to 2.712 and 2.731 to 2.811.

April 10, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 129, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and the bill be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Subdivision 1. An amendment to the Minnesota Constitution is proposed to the people as provided by subdivisions 2 and 3.

Subd. 2. If the amendment is adopted, article IV, sections 2 and 3 will read as follows:

Sec. 2 [APPORTIONMENT OF MEMBERS.] The number of members who compose the senate and house of representatives shall be prescribed by law. (THE REPRESENTATION IN BOTH HOUSES SHALL BE APPORTIONED EQUALLY THROUGHOUT THE DIFFERENT SECTIONS OF THE STATE IN PROPORTION TO THE POPULATION THEREOF.) *A law changing the number of senators or representatives shall be effective on January 1 of the next year ending in the number one following enactment of the law and shall govern general elections held under an apportionment plan that becomes effective after that date.*

Sec. 3. (AT ITS FIRST SESSION AFTER EACH ENUMERATION OF THE INHABITANTS OF THIS STATE

MADE BY THE AUTHORITY OF THE UNITED STATES, THE LEGISLATURE SHALL HAVE THE POWER TO PRESCRIBE THE BOUNDS OF CONGRESSIONAL AND LEGISLATIVE DISTRICTS. SENATORS SHALL BE CHOSEN BY SINGLE DISTRICTS OF CONVENIENT CONTIGUOUS TERRITORY. NO REPRESENTATIVE DISTRICT SHALL BE DIVIDED IN THE FORMATION OF A SENATE DISTRICT. THE SENATE DISTRICTS SHALL BE NUMBERED IN A REGULAR SERIES.) *The legislature shall not prescribe the boundaries for the districts of senators and representatives or for the districts of representatives in the congress of the United States.*

Subd. 3. If the amendment is adopted, a new article will be added to the constitution which will read as follows:

ARTICLE XV

REAPPORTIONMENT COMMISSION

Section 1. [REAPPORTIONMENT COMMISSION.] In each year ending in the number one, or when required by court order, a reapportionment commission shall be established to draw the boundaries of legislative and congressional districts.

The commission shall consist of nine members who are eligible voters of the state. One member shall be appointed by the speaker of the house and one by the members of the house representing political parties other than the party represented by the speaker. One member shall be appointed by the president of the senate and one by the members of the senate representing political parties other than the party represented by the president. Article IV, section 5 shall not apply to the appointment of these four members of the reapportionment commission. The term "political party" as used in this section shall have the meaning provided by law.

The remaining five members shall be appointed by unanimous agreement of the legislative appointees. The qualifications of these members shall be provided by law.

Members of the commission shall be appointed within the time provided by law but not later than March 15 when the commission is established in a year ending in the number one. The supreme court shall fill any vacancy caused by failure to appoint a member within the time required by law.

Sec. 2. [APPORTIONMENT STANDARDS.] The commission shall draw the boundaries of legislative and congressional districts in accordance with the requirements of this section. There shall be one district for each representative, senator and representative in congress. No state representative district shall be divided in the formation of a senate district.

All districts of the same kind shall be as equal in population as practicable. Population shall be the controlling factor in drawing the district boundaries.

The districts shall be composed of compact and contiguous territory. To the extent consistent with other standards, the boundaries of the districts shall follow the boundaries of local governmental units and, wherever practicable, natural and man-made physical boundaries. No apportionment plan shall be drawn for the purpose of favoring any person or political party.

Sec. 3. [APPORTIONMENT PLAN.] *The commission shall adopt an apportionment plan within the time provided by law but not later than December 1 when the commission is established in a year ending in the number one. The plan shall set forth all of the new legislative and congressional districts. An apportionment plan is adopted by the commission when it is approved by a vote of at least six of its members.*

Sec. 4. [EFFECTIVE DATE; ELECTIONS GOVERNED BY NEW DISTRICTS.] *An apportionment plan is effective when it is adopted and any judicial proceedings under section 5 have been completed. The districts set forth in an apportionment plan shall govern elections of state senators, state representatives and representatives in congress beginning with the first general election after the plan is effective.*

Sec. 5. [JUDICIAL REVIEW; COURT DRAWN PLAN.] *The supreme court shall exercise original jurisdiction in any matter relating to apportionment in the manner provided by law. If the commission fails to adopt an apportionment plan within the time provided by law the supreme court shall adopt its own plan in accordance with the requirements of section 2 of this article. If an apportionment plan for legislative districts is adopted by the supreme court later than April 1 of a general election year, the time for establishing residency for legislative candidates as set forth in article IV, section 6, is extended to either 45 days after the effective date of the plan or to the last day provided by law for filing for office at the general election, whichever is earlier.*

Sec. 6. [IMPLEMENTATION.] *The legislature may enact the laws necessary to implement this article provided that reapportionment shall be governed by the law in effect on January 1 of the year in which a reapportionment commission is established.*

Sec. 2. The amendment shall be submitted to the people at the 1980 general election. The question proposed shall be:

“Shall the Minnesota Constitution be amended to transfer from the legislature to a bipartisan commission the power to draw the boundaries of legislative and congressional districts?”

Yes

No”

Sec. 3. [2A.01] [CITATION.] Sections 3 to 14 may be cited as the “Reapportionment Implementation Act”.

Sec. 4. [2A.02] [APPOINTMENT.] Subdivision 1. For the purpose of Article XV, Section 1 of the Minnesota Constitution “political party” means the political party or political principle by which a legislator was designated on the general election ballot when the legislator was last elected.

Subd. 2. Not more than five members of the commission shall be residents of the metropolitan area as defined in section 473.121, subdivision 2 and not more than five shall be residents of the area consisting of the remainder of the state.

Subd. 3. Except for the members appointed pursuant to subdivision 5, no individual shall be appointed or shall serve as a member of the commission who:

(a) Holds or has held within two years prior to appointment an elected or appointed office in the executive, judicial or legislative branch or in an independent agency of the federal or state government;

(b) Is or has been within two years prior to appointment an officer of a campaign committee of a candidate for state or federal office or an officer of a political party other than a precinct officer;

(c) Is an employee of the legislature or congress;

(d) Is a member of the immediate family of a legislator or representative in congress. “Member of the immediate family” means father, mother, son, daughter, brother, sister, spouse, ex-spouse or member of the same household; or,

(e) Is or has been within two years prior to appointment a lobbyist as that term is defined by section 10A.01, subdivision 11.

Subd. 4. Except for members appointed pursuant to subdivision 5, no individual appointed as a member of the commission shall remain a member if he becomes a candidate for any elective state or federal office.

Subd. 5. Not later than January 15 of each year ending in the number one the secretary of state shall request the legislators who are authorized by the constitution to appoint members to serve on the commission to certify the names of their appointees. The representatives representing political parties other than the

party represented by the speaker of the house and the senators representing political parties other than the party represented by the president of the senate shall convene during the ten days following the request of the secretary of state, at a time and place directed by the secretary, to appoint members of the commission. The secretary of state shall preside at these conventions. The names of all legislative appointees shall be certified to the secretary of state not later than the following February 1. If a certification is not received within the required time, the secretary of state shall notify the chief justice of the supreme court that there is a vacancy on the commission. Within ten days after notification the supreme court shall fill the vacancy and certify the name of the appointee to the secretary of state.

Subd. 6. Not later than March 15 the commission members whose appointments have been certified pursuant to subdivision 5 shall appoint the five remaining members by unanimous agreement and certify the names to the secretary of state. When a certificate is not received within the required time, the secretary of state shall notify the chief justice that there is a vacancy. Within ten days after the notification the supreme court shall appoint the necessary number of members and certify their names to the secretary of state.

Subd. 7. Vacancies other than those resulting from a failure to appoint a member within the time provided by law shall be filled by the appointing authority that made the original appointment within five days after the vacancy occurs. If the vacancy is not filled within five days the supreme court shall fill the vacancy.

Sec. 5. [2A.03] [COMMENCEMENT OF DUTIES; MEETINGS.] Subdivision 1. The secretary of state shall select a time and place of the first meeting of the commission, which shall not be later than April 1 of the year ending in one, and shall notify the commission members of the time and place selected. Before beginning to exercise their official duties the members of the commission shall take an oath in the form required for other state officers. The secretary of state shall preside at the meeting until the election of a permanent presiding officer. The commission shall elect a presiding officer and other officers as it shall find necessary.

Subd. 2. The commission, after notice and opportunity for public comment, may adopt and publish procedures necessary to carry out its duties. Chapter 15 does not apply to these procedures.

Subd. 3. The commission shall meet upon the call of either the presiding officer or a majority of the members of the commission. The proceedings of the commission are open to the public. The commission shall give public notice of its proceedings and shall keep minutes and audio recordings of those proceed-

ings. All materials submitted to or developed by the commission, together with the minutes and audio record of its proceedings shall be preserved and made available for public inspection and copying. The commission may administer oaths to individuals appearing before it.

Subd. 4. A majority of the members of the commission constitutes a quorum to conduct business. At any meeting of the commission at which a quorum is present, a majority of those present may compel the attendance of absent members. The attendance of absent members may be compelled in the manner that either the senate or house of representatives provide for their members.

Sec. 6. [2A.04] [REMOVAL OF COMMISSION MEMBER.] Any member of the commission may be removed from the commission by the supreme court upon petition filed by any eligible voter. The member may be removed after a hearing and upon a finding by the supreme court, by a preponderance of the evidence, that the member:

(a) Has been convicted, during his membership, of a gross misdemeanor or felony;

(b) Is unqualified to serve under the provisions of section 4, subdivision 3 or 4;

(c) Is physically or mentally incapable of serving; or

(d) Is unwilling to serve.

It is prima facie evidence that a member is unwilling to serve if he fails to attend three successive meetings of the commission or fails to attend a total of six meetings of the commission. Upon removal, the position shall be filled in the manner provided for filling vacancies. An individual who is removed from the commission pursuant to this section may not be reappointed to the commission.

Sec. 7. [2A.05] [ADMINISTRATIVE SUPPORT.] The presiding officer of the commission shall supervise the staff of the commission. The secretary of state, commissioner of administration, attorney general and revisor of statutes shall make available the personnel, facilities, technical services and other assistance requested by the commission. The commission may employ or contract for the services of other staff personnel.

Sec. 8. [2A.06] [APPORTIONMENT PLAN.] Subdivision 1. An apportionment plan adopted by the commission shall include:

(a) A written description of each district drawn by the commission;

(b) A map of each district showing the name and location of each public road and each local governmental unit boundary in the district in a scale that allows precise location of the district boundaries;

(c) A map of the state showing all of the districts drawn by the commission;

(d) A statement of the deviation in population of each district from the average population of all districts of that kind;

(e) A justification of any population deviation described in clause (d) which exceeds one-half of one percent for a congressional district or five percent for legislative districts;

(f) An explanation of the standards used by the commission to draw the districts; and

(g) Any other information which the commission deems relevant to the plan.

Subd. 2. An apportionment plan shall be adopted not later than September 1 of the year in which the commission is established. When an apportionment plan adopted by the commission is remanded by the supreme court or by a federal court, the commission shall adopt an amended plan consistent with the finding of the court not later than 30 days after the original plan is remanded.

Subd. 3. The commission shall file the original or any amended plan with the secretary of state within five days of its adoption.

Subd. 4. Any commission members in the minority may prepare a minority report which shall be published with the plan adopted by the commission.

Sec. 9. [2A.07] [COURT ORDER OR CHANGE IN CONGRESSIONAL REPRESENTATION.] *Subdivision 1. When a commission is not otherwise constituted and either the number of the state's representatives in congress is changed by federal law or a federal court order requires adoption or amendment of an original apportionment plan, a commission shall be established and shall draw the congressional district boundaries or amend the plan.*

Subd. 2. The supreme court shall set a timetable for establishing a reapportionment commission and drawing the boundaries or amending the plan. The timetable shall be consistent with

the time provided for adoption of an apportionment plan pursuant to section 8, subdivision 2, as far as practicable.

Sec. 10. [2A.08] [COMPENSATION.] *Members of the commission who are not paid a salary by the state shall be compensated at the rate provided by section 15.059, subdivision 3, for members of advisory councils and committees. Members shall be compensated for their actual and necessary expenses incurred in carrying out their duties on the commission in the same manner and amount as other state employees.*

Sec. 11. [2A.09] [DISSOLUTION.] *The commission shall conclude its business and dissolve when:*

(a) *30 days have passed from the adoption of an original, unamended apportionment plan without the filing of any petition for review by the supreme court and all legal actions concerning the plan which are known at that time have been decided; or*

(b) *The commission has adopted an amended apportionment plan after remand by a court and has completed its duties under section 12; or*

(c) *The commission has failed to adopt a plan or amended plan within the time required by law.*

The conclusion of business shall include preparation of the official record of the commission and a financial statement disclosing all expenditures made by the commission. The official record shall contain all information developed by the commission pursuant to carrying out its duties including records of public hearings, data collected, minutes and audio recordings of hearings and meetings, and other information of a similar nature. The official record shall be submitted to the secretary of state who shall provide for its preservation.

Sec. 12. [2A.10] [PUBLICATION OF REPORT.] *Subdivision 1. Promptly after the adoption of an apportionment plan the commission shall:*

(a) *Prepare and transmit a copy of the plan to each county auditor;*

(b) *Prepare and transmit a summary of the plan to each newspaper of general circulation and each radio and television station in the state; and*

(c) *Prepare sufficient copies of the plan and the summary for inspection, copying and purchase by the public.*

Subd. 2. *The summary shall contain:*

- (a) *A map showing all the new districts in the state;*
- (b) *Separate maps showing the districts in the principal area served by the newspaper, radio or television station;*
- (c) *A statement of the population of each district;*
- (d) *A statement of the percentage variation of each district from the average population of other districts of the same kind; and*
- (e) *An indication of where a copy of the final report of the commission may be examined or purchased and its purchase price.*

Sec. 13. [2A.11] [JUDICIAL REVIEW.] *Subdivision 1. An action to review an original or amended apportionment plan adopted by the reapportionment commission shall be commenced by petition to the supreme court within 30 days of the date the plan is filed with the secretary of state. The petition shall set forth the facts and the law on the basis of which petitioner believes the plan does not comply with the provisions of the United States Constitution, the Minnesota Constitution or other provisions of law. A copy of the petition shall be served upon the commission and upon the attorney general. The court shall hold hearings upon the petition and shall render its opinion on an original unamended plan of the commission within 60 days of the date that the petition to review the plan is filed. The court shall render its opinion on an amended plan of the commission within 30 days of the date the petition to review the amended plan is filed.*

Subd. 2. If the court finds that an original, unamended plan of the reapportionment commission is invalid because it does not comply with constitutional or legal requirements, the court shall specify the reasons for its finding and immediately remand the plan to the commission for amendment. If the court retains jurisdiction of an action to review an apportionment plan when the plan is remanded to the commission, the court shall render its opinion on any amended plan within 30 days after the date the amended plan is filed with the secretary of state.

Subd. 3. If a federal court finds that an original unamended plan of the reapportionment commission is invalid because it does not comply with constitutional or legal requirements, and the court permits the commission to redraw the boundaries with consideration to the court's findings and conclusions, the plan shall be remanded to the commission for amendment.

Subd. 4. If the commission fails to adopt an apportionment plan or an amended plan within the time provided by law, or an amended plan adopted by the commission is found invalid upon review by the supreme court or by any federal court, the supreme

court shall adopt its own reapportionment plan in accordance with the requirements of Article XV, Section 2, of the Minnesota Constitution. The court shall hold at least one public hearing before adopting or amending a plan. An apportionment plan adopted or amended by the supreme court shall be in the form prescribed for a plan adopted by the commission. The court shall adopt the plan or amended plan and file it with the secretary of state not later than 60 days from the date on which the amended plan was declared invalid, or the date on which the plan or amended plan was required to be adopted by the commission. The secretary of state shall perform the duties provided in section 12 with respect to an apportionment plan adopted by the court.

Sec. 14. [2A.12] [DUTIES OF ATTORNEY GENERAL.]

The attorney general shall represent the commission and shall defend the apportionment plan adopted by the commission in any action to review the plan in the supreme court. He shall represent the state and shall defend the apportionment plan adopted pursuant to Article XV of the Minnesota Constitution and sections 3 to 14 in any action to review the plan in a federal court. In any action in federal court, the attorney general shall request the court to expedite the proceedings.

Sec. 15. [APPROPRIATION.] Subdivision 1. *The sum of \$100,000 is appropriated from the general fund to the reapportionment commission for the purpose of implementing sections 3 to 14. The sum is available March 1, 1981, and until expended.*

Subd. 2. The sum of \$150,000 is appropriated from the general fund to the legislative coordinating commission for the development by March 1, 1981, of data processing support for reapportionment. The coordinating commission may obtain bids and proposals from and may enter contracts and agreements with private contractors and state agencies or departments for all or portions of the data processing support in a level that the coordinating commission finds appropriate. For the purpose of this paragraph, "data processing support" includes the purchase or use of computer hardware, software, professional services, including system design consultation, and data entry services. This appropriation is available the day after final enactment and until March 1, 1981. Any amount that remains unobligated on March 1, 1981, is appropriated to the reapportionment commission for implementation of sections 3 to 14, and is available until expended.

Sec. 16. [REPEALER.] *Minnesota Statutes 1978, Sections 2.041 to 2.712 are repealed on the effective date of this section. Minnesota Statutes 1978, Sections 2.731 to 2.811 are repealed on the date of the general election for representatives in congress following the effective date of an apportionment plan pursuant to article XV of the constitution.*

Sec. 17. [EFFECTIVE DATE.] *Sections 3 to 14 and 16 are effective on the date the constitutional amendment in section 1 is ratified as provided by the constitution.*

Sec. 18. [BALLOT QUESTIONS.] *Notwithstanding any law or rule to the contrary, the ballot question in section 2 shall immediately precede any other ballot questions placed on the ballot and submitted to the people at the 1980 general election. This section is effective the day following final enactment."*

Delete the title and insert:

A bill for an act relating to constitutional amendments; proposing an amendment to the Minnesota Constitution, Article IV, Sections 2 and 3, and by adding a new article; providing for establishment of the boundaries of congressional and legislative districts by a commission; limiting the power of the legislature to change the number of senators and representatives; implementing the proposed reapportionment commission amendment by providing by law for the duties, powers and operation of the commission; providing for judicial review of an apportionment plan; imposing duties on certain state officials; appropriating money; repealing Minnesota Statutes 1978, Sections 2.041 to 2.712 and 2.731 to 2.811."

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

Senate Conferees: WILLIAM P. LUTHER, NEIL DIETERICH, GERRY SIKORSKI and CARL A. JENSEN.

House Conferees: MICHAEL R. SIEBEN, TODD H. OTIS, DOUGLAS R. EWALD and BILL PETERSON.

Sieben, M., moved that the report of the Conference Committee on S. F. No. 129 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

Levi was excused for the remainder of today's session.

S. F. No. 129, A bill for an act relating to reapportionment of the legislature and congressional districts; proposing an amendment to the Minnesota Constitution, Article IV, Sections 2, 3 and 4 to provide for establishment of the boundaries of congressional and legislative districts by a commission, removing the requirement that all senators be elected at the first general election following an apportionment and limiting the power of the legislature to change the number of senators and representatives; implementing the proposed amendment by providing by law for the duties, powers and operation of the commission; and repealing Minnesota Statutes 1978, Sections 2.041 to 2.712 and 2.731 to 2.811.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 114 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Novak	Sieben, H.
Adams	Ellingson	Kalis	Nysether	Sieben, M.
Anderson, B.	Erickson	Kelly	Olsen	Simoneau
Anderson, G.	Esau	Kempe	Onnen	Stadum
Anderson, I.	Evans	Kostohryz	Osthoff	Stoa
Battaglia	Ewald	Kroening	Otis	Stowell
Begich	Faricy	Laidig	Pehler	Sviggum
Berglin	Fjoslien	Lehto	Peterson, B.	Swanson
Berkelman	Fritz	Long	Peterson, D.	Thiede
Biersdorf	Fudro	Luknie	Piepho	Tomlinson
Blatz	Greenfield	Mann	Pleasant	Valan
Brinkman	Halberg	McEachern	Prahl	Valento
Byrne	Haukoos	Mehrkens	Reding	Vanasek
Carlson, L.	Heap	Metzen	Rees	Waldorf
Casserly	Heinitz	Minne	Reif	Weaver
Clark	Hoberg	Moe	Rice	Welch
Clawson	Hokanson	Munger	Rodriguez	Wenzel
Corbid	Jacobs	Murphy	Rose	Wieser
Crandall	Jaros	Nelsen, B.	Rothenberg	Wigley
Dean	Jennings	Nelsen, M.	Sarna	Wynia
Dempsey	Johnson, D.	Nelson	Schreiber	Zubay
Den Ouden	Jude	Niehaus	Searles	Spkr. Norton
Drew	Kahn	Norman	Sherwood	

Those who voted in the negative were:

Ainley	Carlson, D.	Kvam	McDonald	Redalen
Albrecht	Friedrich	Ludeman	Patton	Welker

The bill was repassed, as amended by Conference, and its title agreed to.

CALL OF THE HOUSE LIFTED

Ewald moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 507.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 507

A bill for an act relating to taxation; providing for a levy apportionment for certain jurisdictions upon an assessment level differential greater than five percent; amending Minnesota Statutes 1978, Section 270.12, Subdivision 3.

April 7, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 507, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 507 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.] Subdivision 1. The terms defined in this section are used in sections 1 to 8 with the following meanings, respectively.

Subd. 2. "Authority" means a regional railroad authority organized and existing as a political subdivision and local government unit pursuant to section 3.

Subd. 3. "Bonds" means any bonds, notes, or other obligations issued by an authority pursuant to section 7.

Subd. 4. "Governing body" means the board, council, or other body authorized by law to exercise the governmental powers of a municipality.

Subd. 5. "Municipality" means any county, city, or town.

Subd. 6. "Project" means any railroad facilities proposed to be acquired, constructed, improved, or refinanced by an authority in whole or part by the issuance of bonds, including any real or personal property, structures, machinery, equipment, and appurtenances determined by the authority to be useful or convenient for railroad operations and handling passengers or freight.

Subd. 7. "Real property" means lands, structures, improvements thereof, and water and riparian rights, and any and all interests and estates therein, legal or equitable, including but not limited to easements, rights of way, uses, leases and licenses.

Subd. 8. "Regional railroad authorities act" means this act.

Sec. 2. [PURPOSE.] *The purpose of the regional railroad authorities act is to provide a means whereby counties, with state and federal aids as may be available, may provide for the preservation and improvement of local rail service for agriculture, industry, or passenger traffic when determined to be practicable and necessary for the public welfare, particularly in the case of abandonment of local rail lines.*

Sec. 3. [ORGANIZATION OF AUTHORITY.] *Subdivision 1. [ORGANIZATION RESOLUTION.] A regional railroad authority may be organized by resolution or joint resolution adopted by the governing body or bodies of one or more counties, providing and stating:*

(a) *That the authority is organized under the regional railroad authorities act as a political subdivision and local government unit of Minnesota, to exercise thereunder part of the sovereign power of the state;*

(b) *The name of the authority, including the words "regional railroad authority";*

(c) *The county or counties adopting the organization resolution;*

(d) *The number of commissioners of the authority, not less than five; the number to be appointed by the governing body of each county; and the names and addresses of the first board of commissioners;*

(e) *The municipality in which the registered office of the authority is to be situated;*

(f) *That neither the state of Minnesota, the county or counties nor any other political subdivision is liable for obligations of the authority; and*

(g) *Any other provision for regulating the business of the authority determined by the governing body or bodies adopting the resolution.*

Subd. 2. [HEARING.] *Before final adoption of an organization resolution, the governing body of each county named in it shall provide for a public hearing upon notice published in the official county newspaper and mailed to the governing body of each municipality in the county, at least 30 days before the hearing. The hearing may be adjourned from time to time, to a time and place publicly announced at the hearing, or to a time and place fixed by notice published in the official county newspaper at least ten days before the adjourned session. Joint hear-*

ing sessions may be held by the governing bodies of all counties named, at any convenient public place within any of the counties. The resolution may be amended by the governing body or bodies at or after any hearing session at which the amended resolution is proposed and made available to interested citizens. It shall not become effective until adopted in identical form by the governing bodies of all counties named in the resolution.

Subd. 3. [CERTIFICATE OF INCORPORATION.] A copy of the organization resolution, certified by the recording officer of each county adopting it, shall be filed with the secretary of state, who shall issue a certificate of incorporation if the resolution conforms to the requirements of this section, stating in the certificate the name of the authority and the date of its incorporation, which shall be the date of acceptance for filing. The certificate of incorporation shall be conclusive evidence of the valid organization and existence of the authority.

Subd. 4. [AMENDMENT.] The organization resolution may be amended by resolution or joint resolution of the governing bodies of all counties named in the resolution prior to amendment and the governing body of any additional county named in the amendment. Each amendment shall be adopted at or after hearing upon notice as required for the organization resolution. No amendment releasing a county from its obligations as a party named in the resolution shall be effective unless all covenants, agreements, mortgage liens, and other security given for bonds of the authority have been discharged and satisfied by payment or otherwise in accordance with their terms. All other amendments shall take effect upon filing with the secretary of state and issuance of an amended certificate of incorporation in the same manner as provided for the organization resolution.

Subd. 5. [BOARD OF COMMISSIONERS.] All powers granted to an authority shall be exercised by its board of commissioners. Commissioners shall be appointed and vacancies in their office shall be filled by the governing body of each county named in the organization resolution, in accordance with the provisions of that resolution. The term of each commissioner shall be one year, or the remainder of the one year term for which a vacancy is filled, and until a successor is appointed. Commissioners shall receive no compensation for services but shall be reimbursed for necessary expenses incurred in the performance of their duties.

Subd. 6. [MEETINGS AND ACTIONS.] The board of commissioner shall by resolution establish the time and place or places of its regular meetings and the method and notice required for calling special meetings, all of which shall be open to the public. A majority of the commissioners being present at a meeting, any action may be taken by resolution or motion adopted by recorded vote of a majority of those present, unless a larger majority is required by bylaws adopted by the board.

Subd. 7. [OFFICERS AND EMPLOYEES.] The board of commissioners shall appoint a chairman, vice chairman, secretary, and treasurer from its members, each to serve for a term of one year and until a successor is appointed. The offices of secretary and treasurer may be combined, and deputies or assistants may be appointed for either office or the combined office, from members of the board or otherwise. The powers and duties of each office shall be determined by the board, which shall require and pay for a surety bond for each officer handling funds. The board shall provide for the keeping of a full and accurate record of all proceedings and of resolutions, regulations, and orders issued or adopted; the state auditor shall, as time and resources permit, annually audit the books of said regional railroad authority. The board may appoint an executive director and other officers, fix their compensation, and delegate to them the powers and duties, as it may determine. It may also employ, or authorize the executive director to employ, all other employees, consultants, and agents needed to perform its duties and exercise its powers. Minnesota Statutes, Chapter 353 shall apply to all salaried employees.

Sec. 4. [POWERS.] Subdivision 1. [GENERAL.] An authority may exercise all the powers necessary or desirable to implement the powers specifically granted in this section, and in exercising the powers is deemed to be performing an essential governmental function and exercising a part of the sovereign power of the state, and is a local government unit and political subdivision of the state. Without limiting the generality of the foregoing, the authority may:

(a) Sue and be sued, have a seal, which may but need not be affixed to documents as directed by the board, make and perform contracts, and have perpetual succession;

(b) Acquire real and personal property within or outside its taxing jurisdiction, by purchase, gift, devise, condemnation, conditional sale, lease, lease purchase, or otherwise; and

(c) Hold, manage, control, sell, convey, lease, mortgage, or otherwise dispose of real or personal property.

Subd. 2. [RAILROAD ACQUISITION AND OPERATION.] The authority may plan, establish, acquire, develop, construct, purchase, enlarge, extend, improve, maintain, equip, operate, regulate, and protect railroads and railroad facilities, including but not limited to terminal buildings, roadways, crossings, bridges, causeways, tunnels, equipment, and rolling stock.

Subd. 3. [PERMITS.] The authority may apply to any public agency for permits, consents, authorizations, and approvals required for any project and take all actions necessary to comply with their conditions.

Subd. 4. [EMINENT DOMAIN.] *The authority shall have all powers granted to a political subdivision in Minnesota Statutes, Chapter 117 for the acquisition of property for a public purpose, except that it shall have no power of eminent domain with respect to property owned by another authority or political subdivision of Minnesota or any other state, or with respect to property owned or used by a railroad corporation unless the Interstate Commerce Commission, or another authority with power to make the finding, has found that the public convenience and necessity permit discontinuance of rail service on the property. All property taken for the exercise of the powers granted herein is declared to be taken for a public governmental purpose and as a matter of public necessity.*

Subd. 5. [FUNDS.] *The authority may establish charges and rentals for the use, sale, and availability of its property and service and may hold, use, dispose of, invest, and reinvest the income, revenues, and funds derived therefrom. Subject to any agreement with bondholders, it may invest money not required for immediate use, including bond proceeds, in the securities it shall deem prudent, notwithstanding the provisions of any other law relating to the investment of public funds.*

Subd. 6. [INSURANCE AND INDEMNITY.] *The authority shall be subject to tort liability to the extent provided in Minnesota Statutes, Chapter 466 and may procure insurance against the liability, and may indemnify and purchase and maintain insurance on behalf of any of its commissioners, officers, employees, or agents, in connection with any threatened, pending, or completed action, suit, or proceeding, as provided in Minnesota Statutes, Chapter 466, and to the same extent and in the same manner and with the same force and effect as provided in the case of a private corporation by Minnesota Statutes, Section 300.082. It may also procure insurance against loss of or damage to property in the amounts, by reason of the risks, and from the insurers as it deems prudent.*

Subd. 7. [GRANTS.] *The authority may accept, contract for, and receive and disburse federal, state, and other funds or property, public or private, made available by grant, loan, or lease, to be used in the exercise of any of its powers, and may comply with the terms and conditions of the grant or loan.*

Subd. 8. [TAXATION.] *Before deciding to exercise the power to tax, the authority shall give six weeks published notice in all counties in the region. If a number of voters in the region equal to five percent of those who voted for candidates for governor at the last gubernatorial election present a petition within nine weeks of the first published notice to the secretary of state requesting that the matter be submitted to popular vote, it shall be submitted at the next general election. The question prepared shall be:*

“Shall the regional rail authority have the power to impose a property tax?”

Yes

No”

If a majority of those voting on the question approve or if no petition is presented within the prescribed time the authority may thereafter levy a tax at any annual rate not exceeding four mills on the assessed valuation of all taxable property situated within the county or counties named in its organization resolution. Its recording officer shall file in the office of the county auditor of each county a certified copy of the board of commissioners' resolution levying the tax, and each county auditor shall assess and extend upon the tax rolls the portion of the tax that bears the same ratio to the whole amount that the assessed valuation of taxable property in that county bears to the assessed value of taxable property in all counties named in the organization resolution. Collections of the tax shall be remitted by each county treasurer to the treasurer of the authority.

Subd. 9. [MUNICIPAL AGREEMENTS.] The authority may enter into agreements with the county or counties named in the organization agreement, or with other municipalities situated in the counties, respecting the matters referred to in section 6.

Subd. 10. [BONDS.] The authority may issue bonds in the manner and upon the conditions provided in section 7.

Subd. 11. [CONTRACTS FOR OPERATION AND USE OF FACILITIES.] The authority may enter into contracts including leases with any person, firm, or corporation, for terms the authority may determine:

(a) Providing for the operation of any facilities on behalf of the authority, at the rate of compensation as may be determined;

(b) Leasing a rail line for operation by the lessee or any facility or space therein for other commercial purposes, at rentals as may be determined, but no person may be authorized to operate a rail line other than as a common carrier;

(c) Granting the privilege, for compensation as the authority shall determine, of supplying goods, commodities, services, or facilities along rail lines or in or upon other property; and

(d) Making available services furnished by the authority or its agents, at charges, rentals, or fees which shall be reasonable and uniform for the same class of privilege or service.

Sec. 5. [TAX EXEMPTION.] *The property and income of an authority shall be exempt from all taxation, except that Minnesota Statutes, Sections 272.01, Subdivision 2, and 273.19 shall apply to any use or lease of the property, other than operation of a railroad line by a railroad company.*

Sec. 6. [MUNICIPAL POWERS.] Subdivision 1. [GENERAL.] *Any county named in the organization resolution of an authority, and any other municipality situated within a named county, may exercise the powers granted in this section, in aid or in consideration of the exercise of the authority's powers in ways which are determined by the governing body of the municipality to be for the benefit and welfare of its citizens.*

Subd. 2. [LOANS AND DONATIONS.] *The municipality may lend or donate money to the authority and may levy taxes, appropriate money, and issue bonds for that purpose in the manner and within the limitations prescribed by law, including but not limited to Minnesota Statutes, Chapters 275 and 475.*

Subd. 3. [JOINT ACTION.] *The municipality may enter into an agreement with the authority respecting the joint exercise of their powers pursuant to Minnesota Statutes, Section 471.59.*

Subd. 4. [PUBLIC IMPROVEMENTS.] *The municipality may cause water, sewer, storm sewer, drainage, street, highway and sidewalk, or other public improvements to be furnished adjacent to or in connection with property of the authority; but the property shall be exempt from special assessment as in the case of highway rights of way pursuant to Minnesota Statutes, Section 435.19.*

Subd. 5. [CONVEYANCE OF PROPERTY.] *The municipality may dedicate, sell, convey, or lease to the authority its interest in any property and may grant easements, licenses, and other rights in it to the authority.*

Sec. 7. [BONDS.] Subdivision 1. [AUTHORIZATION.] *An authority may from time to time issue bonds, or other obligations however designated, in principal amounts as it shall deem necessary to fulfill its purpose and to exercise any of its powers, to provide funds for operating expenses in anticipation of revenues of the current year, or for capital expenditures in anticipation of the issuance of long term bonds or the receipt of a grant or loan of state or federal funds, to refund the principal of or interest or redemption premiums on outstanding bonds whether or not the amounts refunded have become due and payable, to establish or increase reserves to secure the payment of bonds or interest on them, and to pay costs and expenses of the issuance of the bonds.*

Subd. 2. [SECURITY.] Bonds may be made payable exclusively from the revenues from one or more projects, or from one or more revenue producing contracts, or from the authority's revenues generally, and may be additionally secured by a pledge of any grant, subsidy, or contribution from any public agency or any income or revenues from any source. They may be secured by a mortgage or deed of trust of the whole or any part of the property of the authority. They shall be payable solely from the revenues, funds, and property pledged or mortgaged for their payment. No commissioner, officer, employee, agent, or trustee of the authority shall be liable personally on its bonds or be subject to any personal liability or accountability by reason of their issuance. Neither the state nor a county or other municipality except the authority may pledge its faith and credit or taxing power or shall be obligated in any manner for the payment of the bonds or interest on them; but nothing herein shall affect the obligation of the state or municipality to perform any contract made by it with the authority, and when the authority's rights under a contract with the state or a municipality are pledged by the authority for the security of its bonds, the holders or a bond trustee may enforce the rights as a third party beneficiary. All bonds shall be negotiable within the meaning and for the purposes of the uniform commercial code, subject only to any registration requirement.

Subd. 3. [BOND RESOLUTION OR INDENTURE.] Bonds of the authority shall be authorized by resolutions of its board of commissioners which may set forth, or may authorize and direct the execution of an indenture or security agreement with a corporate trustee setting forth, the terms and conditions thereof, the covenants and agreements entered into by the authority for their security, the real and personal property, if any, which is mortgaged or pledged for their further security, the rights and duties of the trustee, if any, and the manner of and conditions for adoption of amending or supplemental resolutions or indentures. Covenants may be made regarding:

(a) The custody, collection, securing, investment, reinvestment, and disbursement of bond proceeds and any revenues with respect to which the authority has any right or interest;

(b) The purposes to which the proceeds shall be applied, and the pledge of the proceeds, until so applied, to secure the payment of the bonds and interest thereon;

(c) The rentals, rates, or charges to be established for use and availability of the authority's property or service;

(d) The establishment of funds or accounts for the disbursement of proceeds, the segregation of revenues, and the debt service and reserve requirements of the bonds;

(e) *The conditions for the issuance of any additional bonds and the refunding of outstanding bonds and the terms upon which additional bonds may be issued and secured;*

(f) *The priority of any bonds with respect to any pledge of revenues, mortgage, or security interest;*

(g) *The operation and maintenance of any property, the revenues of which are pledged;*

(h) *The custody of any of the authority's property or investments, its safekeeping, the kinds of securities in which funds may be invested and reinvested, the insurance to be carried on property and against liability, and the use and disposition of insurance proceeds;*

(i) *The vesting in a corporate trustee, within or outside the state, and successors and individual cotrustees as may be provided for, of funds and properties and trust rights and power as the authority may determine, and the limitation of the rights, powers, duties, and obligations of the trustees;*

(j) *The appointment of any paying agent within or outside the state; and*

(k) *Any other matter reasonably related to the security of the bonds.*

Subd. 4. [SALE.] *Bonds may be issued and sold in one or more series, at public and private sale, at the price, bearing the date or dates, maturing at the time or times, bearing interest at the rate or rates, in the denominations, in the form whether coupon or registered, with the privileges of conversion, exchange, and registration of transfer, having the rank or priority, to be executed on behalf of the authority by the officers and other persons, to be subject to the terms of redemption with or without premium, and to contain or be subject to the other terms the resolution, indenture, or security agreement may provide, and shall not be restricted by any other law limiting the amount, maturities, interest rates, purchase price, or other terms of obligations of public agencies or municipalities.*

Subd. 5. [RECITALS.] *The authority shall be estopped to deny the correctness of any recital in any bond or any certificate given by direction of the authority, that it has been issued pursuant to the provisions and for the purposes of the regional railroad authorities act, and that all conditions precedent to the issuance exist or have been performed.*

Subd. 6. [BONDS AS INVESTMENTS AND SECURITY FOR DEPOSITS.] *Notwithstanding any other law, the state of Minnesota and all its public officers, governmental units,*

agencies, and instrumentalities, all banks, trust companies, savings banks and institutions, building and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, money, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this section, and the bonds or obligations may be pledged as security for any public deposits.

Sec. 8. [EMPLOYMENT PREFERENCE.] *Individuals who have been previously employed by railroads, any part of whose property or assets are acquired pursuant to this act, shall have priority, based upon their length of service with that railroad, in employment with a purchasing carrier or other operator of a railroad incorporating that property or those assets.*

Sec. 9. [CONSTRUCTION.] *Sections 1 to 8 shall be construed liberally to effectuate their legislative intent and purpose, as complete and independent authority for the performance of every act and thing authorized, and all powers granted shall be broadly interpreted to effectuate this intent and purpose and not as a limitation of powers. In the event of any conflict or inconsistency with any other law or charter provision, the provisions of sections 1 to 8 shall prevail.*

Sec. 10. Minnesota Statutes 1978, Section 270.12, Subdivision 3, is amended to read:

Subd. 3. *For taxes levied in 1980 and 1981, when a taxing jurisdiction lies in two or more counties, and the sales ratio studies prepared by the department of revenue show that the average level of assessment in the several portions of the district in the different counties differs by more than (TEN) 20 percent, the board (MAY) shall order that the levy of the taxing jurisdiction be apportioned among the portions in the different counties in the same proportion as the adjusted assessed value as determined by the equalization aid review committee in each portion is to the total adjusted assessed value, as determined by the equalization aid review committee, of the taxing jurisdiction; if the studies show that the level differs by more than five percent, the board may order the apportionment of the levy. For taxes levied in 1982 and thereafter, if the studies show that the level differs by more than five percent, the board shall order the apportionment of the levy.*

For the purposes of this section, the average level of assessment in a taxing jurisdiction or portion thereof shall be the aggregate assessment sales ratio. Assessed values as determined by the equalization aid review committee shall be the values as determined for the year preceding the year in which the levy to be apportioned is levied.

Actions pursuant to this subdivision shall be commenced subsequent to the annual meeting on August 15 of the state board of equalization, but notice of the action shall be given to the affected jurisdiction and the appropriate county auditors by the following November 15.

Apportionment of a levy pursuant to this subdivision shall be considered as a remedy to be taken after equalization pursuant to subdivision 2, and when equalization within the jurisdiction would disturb equalization within other jurisdictions of which the several portions of the jurisdiction in question are a part.

Sec. 11. *This act is effective the day after final enactment.*"

Delete the title and insert:

"A bill for an act relating to local and regional public finance; providing for regional railroad authorities; providing for property levy apportionments in certain jurisdictions; amending Minnesota Statutes 1978, Section 270.12, Subdivision 3."

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

Senate Conferees: GEORGE S. PILLSBURY, GENE MERRIAM and BILL MCCUTCHEON.

House Conferees: TAD JUDE, JOEL JACOBS and TONY D. ONNEN.

Jude moved that the report of the Conference Committee on S. F. No. 507 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 507, A bill for an act relating to taxation; providing for a levy apportionment for certain jurisdictions upon an assessment level differential greater than five percent; amending Minnesota Statutes 1978, Section 270.12, Subdivision 3.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Aasness	Begich	Carlson, L.	Den Ouden	Faricy
Adams	Berglin	Casserly	Eken	Fjoslien
Ainley	Berkelman	Clark	Elioff	Fudro
Anderson, B.	Biersdorf	Clawson	Ellingson	Greenfield
Anderson, D.	Blatz	Corbid	Erickson	Halberg
Anderson, G.	Brinkman	Crandall	Esau	Haukoos
Anderson, I.	Byrne	Dean	Evans	Heap
Battaglia	Carlson, D.	Dempsey	Ewald	Heinitz

Hoberg	Long	Novak	Rice	Tomlinson
Hokanson	Ludeman	Nysether	Rodriguez	Valan
Jacobs	Luknic	Olsen	Rose	Vanasek
Jaros	Mann	Ommen	Rothenberg	Voss
Jennings	McCarron	Osthoff	Sarna	Waldorf
Johnson, D.	McEachern	Otis	Schreiber	Weaver
Jude	Mehrkens	Patton	Searles	Welch
Kahn	Metzen	Pehler	Sherwood	Welker
Kaley	Minne	Peterson, B.	Sieben, H.	Wenzel
Kalis	Moe	Peterson, D.	Sieben, M.	Wieser
Kelly	Munger	Piepho	Simoneau	Wigley
Kempe	Murphy	Pleasant	Stadium	Wynia
Knickerbocker	Nelsen, B.	Prahl	Stoa	Zubay
Kostobryz	Nelsen, M.	Redalen	Stowell	Spkr. Norton
Kroening	Nelson	Reding	Sviggum	
Laidig	Niehaus	Rees	Swanson	
Lehto	Norman	Reif	Thiede	

Those who voted in the negative were:

Albrecht Drew Fritz Kvam McDonald

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 797, A bill for an act relating to juveniles; juvenile traffic offenders; requiring prosecution of juveniles who commit minor traffic offenses under laws controlling adult offenders; amending Minnesota Statutes 1978, Sections 260.111, Subdivision 1; 260.115, Subdivision 1; 260.121, Subdivision 3; and 260.193.

The Senate has appointed as such committee Messrs. Anderson, Davies and Sikorski.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2268, A bill for an act relating to financial institutions; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; amending

Minnesota Statutes 1978, Section 46.24; and Minnesota Statutes, 1979 Supplement, Section 46.04.

The Senate has appointed as such committee Messrs. Luther, Nichols and Ogdahl.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVERN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 644, A bill for an act relating to licensed occupations; allowing the board of dentistry by rule to prohibit applicants for certain dental licenses who fail a clinical examination twice from further taking the examination without additional education and training specified by the board in the rule; requiring licensed dentists, dental hygienists and registered dental assistants to inform the board of dentistry when changing addresses; setting standards for the names under which dentists may practice; requiring the issuance of temporary licenses to certain qualified persons to act as insurance agents; extending the temporary joint underwriting association act for an additional two year period; extending the termination date of certain insurance policies; providing for rules on advertising by licensed professionals; establishing penalties; amending Minnesota Statutes 1978, Chapter 214, by adding a section; Sections 60A.17, by adding a subdivision; 62F.01, Subdivision 2; 62F.06, Subdivision 1; 150A.06, Subdivisions 1 and 2; 150A.09, Subdivision 3; 150A.11, Subdivision 1; and Minnesota Statutes, 1979 Supplement, Section 150A.06, Subdivision 2a.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVERN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1095, A bill for an act relating to courts; providing for venue for child custody proceedings; authorizing the appointment of a law clerk for each district court judge in the tenth judicial district; authorizing certain actions against state officers to be tried in a county other than where the cause of action arose; providing for procedure for removal; providing

penalties; amending Minnesota Statutes 1978, Sections 484.545, Subdivision 1; 542.03; and 542.18; and Minnesota Statutes, 1979 Supplement, Section 518.156, Subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1731, A bill for an act relating to labor; regulating certain steam engines and boilers and steam engine and boiler operators; amending Minnesota Statutes 1978, Chapter 183, by adding a section.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1781, 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 school districts, the state board of education, and others; providing aid for the education of students of limited English proficiency; providing individualized instructional materials for nonpublic school pupils; increasing the amount of severance pay available to public employees; clarifying provisions governing education management information systems; amending Minnesota Statutes 1978, Sections 120.095, Subdivision 6; 120.10, Subdivision 2; 121.90; 121.902, Subdivision 1; 121.906, Subdivision 2; 121.908, Subdivision 1; 121.912, Subdivision 2, and by adding a subdivision; 121.914, Subdivision 1; 122.22, Subdivisions 2 and 4; 122.23, Subdivisions 9 and 10; 122.25, Subdivision 1; 122.531, by adding subdivisions; 123.11, Subdivision 7; 123.35, Subdivision 5; 123.36, Subdivision 10, and by adding a subdivision; 123.51; 123.932, Subdivision 9, and by adding subdivisions; 123.933; 124.11, by adding a subdivision; 124.20; 124.214, Subdivision 2; 124.565, by adding a subdivision; 124.572, Subdivision 7; 124.65; 125.12, Subdivisions 2 and 9; 125.182, Subdivision 1; 125.60, by adding a subdivision; 126.07; 126.10; 126.36, Subdivisions 1, 3, 4 and 5; 126.52, Subdivision 5, and by adding a subdivision; 126.54, Subdivisions 5 and 6; 127.09; 127.11; 127.21; 134.03;

134.08; 275.125, Subdivisions 5, 5a, 12, and by adding a subdivision; 354.05, Subdivision 2, as amended; Chapters 16, by adding a section; 120, by adding sections; 121, by adding sections; 123, by adding a section; 124, by adding a section; 125, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 3.9279, Subdivision 13; 120.075, Subdivision 4, as amended, and by adding subdivisions; 121.912, Subdivision 1; 121.917, Subdivision 4; 122.541, Subdivision 5; 123.937; 124.11, Subdivisions 2a and 2b; 124.19, Subdivision 4; 124.212, Subdivision 7d; 124.223; 124.224, Subdivision 8; 124.225; 124.245, Subdivisions 1 and 2; 124.247, Subdivisions 3 and 4; 124.271, Subdivisions 1a and 2; 124.561, Subdivision 3a; 124.562, Subdivisions 3 and 4; 124.5621, Subdivision 11, and by adding a subdivision; 124.5624, Subdivision 6; 124.5625; 124.565, Subdivisions 3 and 6; 124.566; 124.572, Subdivisions 2 and 7; 126.54, Subdivision 1; 275.125, Subdivisions 2a, 2b, 7a, 7b, 8, 9, 11a and 20; 353.01, Subdivision 2b; 354A.011, Subdivision 27; Laws 1959, Chapter 462, Section 3, as amended; Laws 1965, Chapter 705, as amended; Laws 1977, Chapter 85, Section 1, as amended; Laws 1979, Chapter 69, Sections 2 and 5; Chapter 334, Article V, Section 32, Subdivisions 6 and 7; Chapter 334, Article VIII, Section 29; Laws 1980, Chapter 345, Section 17; repealing Minnesota Statutes 1978, Sections 121.92, Subdivision 1; 122.531, Subdivision 3; 122.85, Subdivision 7; 123.34, Subdivision 6; 123.39, Subdivision 3; 123.65; 125.187; 125.61, Subdivisions 1a and 6; 126.31; 126.32; 126.33; 126.34; 126.35; 126.36, Subdivision 6; 126.37; 126.38; 126.39, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8 and 9; 126.40, Subdivisions 1 and 2; 126.41, Subdivisions 2, 3, 4, 5, 6 and 7; 126.42; 126.52, Subdivisions 1, 2, 3, 4, 6 and 7; 127.22; Minnesota Statutes, 1979 Supplement, Sections 16.93; 121.92, Subdivision 2; 124.222, Subdivision 3; 125.61, Subdivisions 1, 2, 3, 3a, 4, 4a, and 4b; 126.39, Subdivision 10; 126.40, Subdivision 3; 126.41, Subdivision 1; 126.52, Subdivision 10; and Laws 1979, Chapter 334, Article V, Section 29, Subdivision 4.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1816, A bill for an act relating to local correctional facilities; updating provisions concerning county jails, city lock-ups and workhouses; clarifying provisions penalizing the possession of contraband in local correctional facilities; repealing provisions concerning correctional or work farms; amending Minnesota Statutes 1978, Sections 641.01; 641.04; 641.06; 641.14; 641.15; 641.16; 641.165, Subdivision 2; 641.18; 641.21; 641.22; 642.02, Subdivision 2; 642.03; 642.07; 642.12; 643.01; 643.02; and 643.29; repealing Laws 1925, Chapter 12; Laws 1927, Chap-

ter 142; Minnesota Statutes 1945, Sections 643.21; 643.22; 643.23; 643.24; 643.25; 643.26; 643.27; 643.28; and Minnesota Statutes 1978, Sections 641.17; 641.27; 641.28; 641.29; 641.30; 641.31; 641.32; 641.33; 641.34; 641.35; 641.36; 641.37; 641.38; 642.14; 643.03; 643.04; 643.05; 643.06; 643.07; 643.08; 643.09; 643.10; 643.11; 643.12; 643.13; 643.14; 643.15; 643.16; 643.17; 643.19; and 643.20.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1047, A bill for an act relating to county and county regional jails; providing for establishment and use of county jails and county regional jails and the financing thereof by county contributions and bonds and municipal revenue bonds and leases; amending Minnesota Statutes 1978, Sections 385.18, Subdivision 3; 474.01, Subdivisions 7a and 8, and by adding a subdivision; 474.02, by adding a subdivision; 641.23; 641.24; 641.262, Subdivision 1; 641.263, Subdivision 2; 641.264, Subdivision 1; 641.265; and 642.04.

PATRICK E. FLAHAVEN, Secretary of the Senate

SPECIAL ORDERS

S. F. No. 134 was reported to the House.

Berglin moved to amend S. F. No. 134, the unofficial engrossment, as follows:

Page 7, line 25, delete "*Subdivision 1.*"

Page 7, delete line 33

Page 8, delete lines 1 to 17

Page 8, line 32, after the headnote insert "*Subdivision 1.*"

Page 9, after line 16, insert

"Subd. 2. Upon refusal of a witness, including a party, to testify under oath or produce evidence, the court may order him to testify under oath and produce evidence concerning all relevant facts. If the refusal is upon the grounds that his testimony

or evidence might tend to incriminate him, the court may grant him immunity from all criminal liability on account of the testimony or evidence he is required to produce. An order granting immunity bars prosecution of the witness for any offense shown, in whole or in part, by testimony or evidence which he is required to produce, except for perjury committed in his testimony. The refusal of a witness, who has been granted immunity, to obey an order to testify or produce evidence is subject to the sanctions within the jurisdiction of the court.

Subd. 3. Testimony of a physician concerning the medical circumstances of the pregnancy itself and the condition and characteristics of the child upon birth is not privileged."

Page 9, line 19, after "court" insert "may, and if requested by a party,"

Page 10, line 24, after the period insert "The court shall advise all parties that pre-trial recommendations are not binding and will have no effect if the recommendation is disregarded and the matter is set for trial."

Page 11, line 9, delete everything before "sections"

Page 11, line 19, delete "may" and insert "shall"

Page 11, line 24, delete "When"

Page 11, delete lines 25 to 27

Page 11, delete line 28 before "The" and insert "These matters and all subsequent motions related to them shall proceed and be determined in accordance with chapter 518."

Page 12, line 8, delete "father's" and insert "parent's"

Page 12, line 13, delete "father" and insert "parent"

Page 12, line 14, delete "paternity" and insert "parentage"

Page 12, line 16, delete "father" and insert "non-custodial parent"

Page 12, line 17, delete "mother" and insert "custodial parent"

Page 12, line 24, delete "mother" and insert "custodial parent"

Page 12, line 32, delete "The"

Page 12, delete line 33

Page 13, delete lines 1 to 4

Page 13, line 5, delete "that"

Page 13, line 9, delete everything after "Subdivision 1."

Page 13, line 10, delete "further" and insert "In all"

Page 13, line 10, after "proceedings" insert "under sections 1 to 24"

Page 13, line 15, delete "mother" and insert "custodial parent"

Page 13, line 17, delete "mother" and insert "custodial parent"; delete "her" and insert "the parent"

Page 13, line 19, delete "mother" and insert "custodial parent"; delete "her" and insert "the parent's"

Page 13, line 20, delete "an indigent" and insert "a"

Page 13, line 21, delete everything before the period and insert "pay timely for counsel in proceedings under sections 1 to 24"

Page 13, line 27, delete "an indigent" and insert "a"

Page 13, line 30, delete "indigent"

Page 14, line 30, delete "father" and insert "parent"

Page 15, line 2, delete "mother" and insert "custodial parent"

Page 20, line 21, after "section" insert "and section 257.33"

Page 20, after line 21, insert

"Sec. 31. Minnesota Statutes 1978, Section 257.33, is amended to read:

257.33 [DUTIES OF COMMISSIONER OF PUBLIC WELFARE.] It shall be the duty of the commissioner of public welfare (WHEN NOTIFIED OF A WOMAN WHO IS DELIVERED OF AN ILLEGITIMATE CHILD, OR PREGNANT WITH CHILD LIKELY TO BE ILLEGITIMATE WHEN BORN, TO TAKE CARE THAT THE INTERESTS OF THE CHILD ARE SAFEGUARDED, THAT APPROPRIATE STEPS ARE TAKEN TO ESTABLISH HIS PATERNITY, AND THAT THERE IS SECURED FOR HIM THE NEAREST POSSIBLE APPROXIMATION TO THE CARE, SUPPORT, AND EDUCATION THAT HE WOULD BE ENTITLED TO IF BORN OF LAWFUL MARRIAGE. FOR THE BETTER ACCOMPLISHMENT OF THESE PURPOSES THE COMMISSIONER

OF PUBLIC WELFARE MAY INITIATE SUCH LEGAL OR OTHER ACTION AS IS DEEMED NECESSARY; MAY MAKE SUCH PROVISION FOR THE CARE, MAINTENANCE, AND EDUCATION OF THE CHILD AS THE BEST INTERESTS OF THE CHILD MAY FROM TIME TO TIME REQUIRE, AND MAY OFFER HIS AID AND PROTECTION IN SUCH WAYS AS ARE FOUND WISE AND EXPEDIENT TO THE UNMARRIED WOMAN APPROACHING MOTHERHOOD) *to offer appropriate social services to any pregnant woman who is determined to be at risk under criteria prescribed by rule of the commissioner. The commissioner shall also offer appropriate social services to the woman and her child after the birth of the child.*"

Renumber the remaining sections accordingly

Correct internal references

Page 25, line 15, delete "257.33;"

Amend the title as follows:

Page 1, line 17, delete "257.33;"

The motion prevailed and the amendment was adopted.

Berglin moved to amend S. F. No. 134, the unofficial engrossment, as amended by the Berglin amendment, as follows:

Page 4, lines 10 and 11 delete "*determined to be at risk*" and insert "*in need of social services*"

The motion prevailed and the amendment was adopted.

S. F. No. 134, A bill for an act relating to public welfare; providing pre-trial proceedings and hearings to determine paternity of illegitimate children; revising Minnesota Statutes to conform with the uniform parentage act; amending Minnesota Statutes 1978, Sections 62A.041; 62C.14, Subdivision 5a; 64A.22, Subdivision 1; 144.215, Subdivision 3; 257.025; 257.175; 257.28; 257.33; 259.24, Subdivisions 1 and 2; 259.25, Subdivision 1; 259.26, Subdivision 1; 259.29, Subdivision 1; and 260.231, Subdivision 3; repealing Minnesota Statutes 1978, Sections 257.251; 257.252; 257.253; 257.254; 257.255; 257.256; 257.257; 257.258; 257.259; 257.261; 257.262; 257.263; 257.264; 257.27; 257.29; 257.30; 257.31; and 517.19.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kelly	Novak	Simoneau
Adams	Eken	Kempe	Nysether	Stadum
Ainley	Elihoff	Knickerbocker	Olsen	Stoa
Anderson, B.	Ellingson	Kostohryz	Onnen	Stowell
Anderson, D.	Erickson	Kroening	Osthoff	Sviggum
Anderson, G.	Esau	Kvam	Otis	Swanson
Anderson, I.	Ewald	Laidig	Patton	Thiede
Anderson, R.	Faricy	Lehto	Pehler	Tomlinson
Battaglia	Fjoslien	Long	Peterson, B.	Valan
Begich	Friedrich	Ludeman	Peterson, D.	Valento
Berglin	Fritz	Luknic	Piepho	Vanasek
Berkelman	Fudro	Mann	Pleasant	Voss
Biersdorf	Greenfield	McCarron	Prahl	Waldorf
Blatz	Halberg	McDonald	Redalen	Weaver
Brinkman	Haukoos	McEachern	Reding	Welch
Byrne	Heap	Mehrkens	Rees	Welker
Carlson, D.	Heinitz	Metzen	Reif	Wenzel
Carlson, L.	Hoberg	Minne	Rice	Wieser
Casserly	Hokanson	Moe	Rodriguez	Wigley
Clark	Jacobs	Munger	Rose	Wynia
Clawson	Jennings	Murphy	Rothenberg	Zubay
Corbid	Johnson, D.	Nelsen, B.	Sarna	Spkr. Norton
Crandall	Jude	Nelsen, M.	Searle	
Dean	Kahn	Nelson	Sherwood	
Dempsey	Kaley	Niehaus	Sieben, H.	
Den Ouden	Kalis	Norman	Sieben, M.	

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

S. F. No. 630 was reported to the House.

Patton moved to amend S. F. No. 630, as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 327.43, Subdivision 1, is amended to read:

327.43 [ENTRANCE AND TRANSFER FEES PROHIBITED; SECURITY DEPOSITS LIMITED.] Subdivision 1. No fee other than the periodic rental payment specified in the lease or rental agreement may be charged to a mobile home park tenant or prospective tenant or *any agent of a tenant or prospective tenant* for the right to obtain or retain a space or lot, provided that a lessor may impose a reasonable charge for goods and services actually furnished by or at his expense in setting up a mobile home on a space or lot.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 327.43, Subdivision 2, is amended to read:

Subd. 2. No lessor shall deny any mobile home park tenant the right to sell said tenant's mobile home within the park or require the tenant to remove the mobile home from the park solely on the basis of the sale thereof unless the home is more than 15

years old. The lessor may reserve the right to approve the purchaser of said mobile home as a tenant, but such permission may not be unreasonably withheld, and the lessor shall not exact a commission or fee with respect to the price realized by the seller unless the lessor has acted as agent for the seller in the sale pursuant to a written contract. *The rights of a tenant as provided in this subdivision shall also extend to any party holding a security interest in the tenant's mobile home who chooses to exercise its rights under a security agreement to repossess and sell the mobile home and who so notifies the lessor in writing. Temporary vacancy of a mobile home during a period not to exceed 90 days when the mobile home is being sold shall not be cause for removal so long as the mobile home is maintained in a manner consistent with the reasonable regulations of the mobile home park.*

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 327.44, is amended to read:

327.44 [TERMINATION FOR CAUSE.] A lessor may recover possession of land upon which an occupied mobile home is situated only if:

(a) The tenant fails to comply with a local ordinance or state law or regulation relating to mobile homes within the time the ordinance, law or regulation provides or, if no time is provided, within a reasonable time after the tenant has received written notice of noncompliance;

(b) The tenant fails to comply with the terms and conditions of the lease or rental agreement within 30 days after the tenant has received written notice of the alleged noncompliance except the 30 day notice shall not apply to nonpayment of rent;

(c) The owner voluntarily ceases to operate as a park all or the part of the mobile home park occupied by the tenant, and the tenant has received six months written notice of the planned cessation of operation;

(d) The tenant conducts himself upon the mobile home park premises in a manner which substantially annoys or endangers the health or safety of other tenants or causes substantial damage to the mobile home park premises and has received 30 days written notice to vacate, except the park owner may require the tenant to vacate immediately if the tenant violates this clause a second or subsequent time after receipt of the notice;

(e) The mobile home park owner intends to make improvements to the mobile home park premises which necessitate removal of the tenant's mobile home from the park and the tenant has received 90 days' written notice; or

(f) (A LEASE OF A TERM OF AT LEAST ONE YEAR EXPIRES AND THE LESSOR SEEKS TO RECOVER POSSESSION WITHIN 15 DAYS AFTER EXPIRATION.) *The lessor seeking to recover possession on grounds of nonpayment of rent or utilities gives ten days written notice to the tenant, and to any party holding a security interest in the mobile home known to the lessor, to pay the amounts then owing and cure the default. If neither the tenant nor the secured party cures within ten days from receipt of notice, the lessor may commence legal proceedings to recover possession.*

Sec. 4. Minnesota Statutes 1978, Section 327.51, Subdivision 1, is amended to read:

327.51 [DEFINITIONS.] Subdivision 1. As used in sections 327.51 to (327.55) 14 of this act, the terms defined in this section have the meanings given them.

Sec. 5. Minnesota Statutes 1978, Section 327.51, is amended by adding a subdivision to read:

Subd. 12. "Trust account" means a demand deposit or checking account maintained for the purpose of segregating trust funds from other funds.

Sec. 6. Minnesota Statutes 1978, Section 327.51, is amended by adding a subdivision to read:

Subd. 13. "Trust funds" means funds received by a dealer in a fiduciary capacity as a part of a mobile home sale transaction, pending the consummation or termination of a transaction, and includes all down payments, earnest money deposits, rents for clients, tax and insurance escrow payments, damage deposits, and any funds received on behalf of any person.

Sec. 7. Minnesota Statutes 1978, Section 327.51, is amended by adding a subdivision to read:

Subd. 14. "Net listing agreement" means any agreement by any dealer to sell, offer for sale, solicit or advertise the sale of a mobile home on behalf of any person which provides for the dealer to receive any consideration from any person other than a commission based on a percentage of the price at which the home is actually sold.

Sec. 8. Minnesota Statutes 1978, Section 327.55, Subdivision 1, is amended to read:

327.55 [MANUFACTURERS AND DEALERS; LICENSES.] Subdivision 1. [LICENSE.] No person, copartnership or corporation shall engage in the business, either exclusively or in addition to any other occupation, of selling or manufacturing

mobile homes, new or used, or shall offer to sell, solicit or advertise the sale of mobile homes, new or used, without first having acquired a license therefor as hereinafter provided. Application for such license and renewal thereof, shall be made to the commissioner, shall be in writing, and duly verified by oath. The applicant shall submit such information as the commissioner may require, upon blanks provided by the commissioner for such purpose. No application shall be granted nor a license issued to anyone, until and unless the applicant shall furnish proof satisfactory to the commissioner of the following:

(1) That the applicant has an established place of business; an established place of business when used in this section, means a permanent enclosed building or structure either owned in fee or leased at which a permanent business of bartering, trading and selling of mobile homes will be carried on as such in good faith and not for the purpose of evading this section, and at which place of business shall be kept and maintained the books, records, and files necessary to conduct the business at such place and shall not mean residence, tents, temporary stands, or other temporary quarters, nor permanent quarters occupied pursuant to any temporary arrangement;

(2) That if the applicant desires to sell, solicit or advertise the sale of (BOTH) new (AND USED) mobile homes, he must have a bona fide contract or franchise in effect with a manufacturer or distributor of the new mobile home he proposes to deal in.

(3) That the applicant has secured a surety bond executed by the applicant as principal and issued by a surety company admitted to do business in this state, which shall be in the amount of (\$10,000) \$50,000, and be conditioned upon the faithful compliance by the applicant with all of the laws and rules and regulations of this state pertaining to such business, *including sections 325.772 and 325.79*. Any third party sustaining injuries within the terms of the bond may proceed against the principal and surety without making the state a party to such proceedings. Provided, however, that the aggregate liability of the surety to all such persons for all such losses or damages shall in no event, exceed the amount of such bond.

(4) *That the applicant has established a trust account as required by section 12, subdivision 2, unless the applicant intends to limit his business to selling, offering for sale, soliciting or advertising the sale of new mobile homes.*

Sec. 9. Minnesota Statutes 1978, Section 327.55, Subdivision 4, is amended to read:

Subd. 4. [LICENSES; REVOCATION.] Such license may be revoked by the commissioner upon proof satisfactory to him of either of the following:

(1) Violations of any of the provisions of this chapter or of sections 325.772 or 325.79;

(2) Violation of or refusal to comply with the requests and order of the commissioner;

(3) Failure to make or provide to the commissioner all listings, notices, and reports required by him;

(4) Failure to pay to the commissioner all taxes, fees, and arrears due from and by such dealer;

(5) Failure to duly apply for renewal of license provided for herein;

(6) Revocation of previous license, of which the records of the commissioner relating thereto shall be prima facie evidence of such previous revocation;

(7) Failure of continued occupancy of an established place of business;

(8) Sale of a new and unused current model mobile home other than the make of mobile home described in the franchise or contract filed with the original application or renewal thereof without permission from the commissioner;

(9) Sale of a new and unused current model mobile home to anyone except for consumer use, or to a dealer duly licensed to sell the same make of mobile home; or

(10) Material misstatement or misrepresentation in application for license or renewal thereof.

Sec. 10. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.551] [DEALER'S RECORDS.] *Subdivision 1. [RETENTION.] A licensed dealer shall retain for three years copies of all listings, deposit receipts, purchase money contracts, cancelled checks, trust account records and such other documents as may reasonably be related to carrying on the business of a dealer. The retention period shall run from the date of the closing of the transaction or from the date of the listing if the transaction is not consummated.*

Subd. 2. [EXAMINATION OF RECORDS.] The commissioner may make examinations within or without this state of each dealer's records at such reasonable time and in such scope as is necessary to enforce the provisions of this chapter.

Sec. 11. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.552] [RESPONSIBILITY OF DEALERS.] *Each dealer shall be held responsible for the activities of any person employed by or acting on behalf of that dealer when such activities occur in connection with the sale or attempted sale of a mobile home. Each officer of a corporation licensed as a dealer shall be held responsible for the activities of any person employed by or acting on behalf of the corporation when such activities occur in connection with the sale or attempted sale of a mobile home.*

Sec. 12. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.553] [DUTIES.] *Subdivision 1. [DISCLOSURE REQUIRED.] Prior to the consummation of the sale of any mobile home other than a new mobile home, each dealer shall disclose to all parties to the transaction all charges, payments, commissions and other fees paid or payable in connection with the transaction. This subdivision shall not require any dealer to disclose any consideration received for having acted as an insurance agent, as defined in section 60A.02, subdivision 7, in connection with the transaction, nor shall this subdivision require any dealer to disclose any consideration received in return for the dealer having agreed to any contingent liability in connection with the financing of the sale.*

Subd. 2. [TRUST ACCOUNT REQUIRED.] Each dealer shall maintain a trust account; provided that a dealer who limits his business to dealing in new mobile homes shall not be required to maintain a trust account. A trust account shall not be an interest bearing account except by agreement of the parties and subject to regulations of the commissioner.

Subd. 3. [SEGREGATION OF FUNDS.] A dealer shall deposit all trust funds received in a trust account. A dealer shall deposit only trust funds in a trust account and shall not commingle personal funds or other funds in that account, except that a dealer may deposit and maintain a sum from his personal funds not to exceed \$100 in a trust account, which sum shall be specifically identified and used to pay service charges relating to the trust account.

Subd. 4. [TRUST INFORMATION REQUIRED.] Each dealer shall provide the financial institutions and the trust account identification numbers used by the dealer to comply with the provisions of this section at the time of application for a license or renewal of license by the dealer. The dealer shall immediately report to the commissioner any change of trust account status including changes in financial institutions, account identification numbers, or additional accounts in the same or another

financial institution. No dealer may close an existing trust account without giving ten days written notice to the commissioner.

Sec. 13. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.554] [PROHIBITIONS.] *Subdivision 1. [LICENSE REQUIRED.] No person, partnership, association or corporation shall, either exclusively or in addition to any other occupation, sell, offer to sell, solicit or advertise the sale of mobile homes, new or used, without being licensed as a dealer as provided in section 327.55.*

Subd. 2. [ADVERTISING LICENSED.] No person, partnership, association or corporation shall advertise as a mobile home dealer, or as a lister, broker or agent for the sale of mobile homes, without being licensed as a dealer as provided in section 327.55.

Subd. 3. [NET LISTING PROHIBITED.] No dealer shall use or offer to use a net listing agreement unless the agreement includes a binding promise by the dealer to purchase the mobile home on his own account at a price specified in the agreement in the event the mobile home is not otherwise sold within a specified period of time.

Sec. 14. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.56] [REMEDIES AND ENFORCEMENT.] *In addition to the procedures provided in section 327.55, subdivisions 1 and 5, any person or dealer who is found in violation of section 12 or 13 shall be deemed in violation of section 325.79, subdivision 1, and the provisions of section 325.907 shall apply.*

Sec. 15. [EFFECTIVE DATE.] *Sections 1 to 7, 9 to 12 and 14 are effective the day following final enactment. Section 8 is effective July 1, 1980. Section 13 is effective the day following final enactment, provided that section 13 shall not rescind or void any otherwise valid net listing agreement executed and in effect prior to the effective date. No previously existing net listing agreement shall be renewed or extended except in accordance with section 13.*

Further amend by striking the title and inserting:

"A bill for an act relating to commerce; providing for the licensing and regulation of mobile home dealers; imposing certain duties and prohibiting certain practices; providing penalties; amending Minnesota Statutes 1978, Sections 327.43, Subdivision 1; 327.51, Subdivision 1, and by adding subdivisions; 327.55, Subdivisions 1 and 4; and Chapter 327, by adding sections; and

Minnesota Statutes, 1979 Supplement, Sections 327.43, Subdivision 2; and 327.44.”

The motion prevailed and the amendment was adopted.

Patton moved to amend S. F. No. 630, as amended by the Patton amendment, as follows:

Page 5, line 31, delete “\$50,000” and insert “\$20,000.”

Page 3, reinstate the stricken language on lines 22 and 23.

Page 3, line 24, reinstate the stricken “expiration” and after the stricken period insert “; (g)”

The motion prevailed and the amendment was adopted.

S. F. No. 630, A bill for an act relating to commerce; providing for the licensing and regulation of mobile home dealers; imposing certain duties and prohibiting certain practices; providing penalties; amending Minnesota Statutes 1978, Sections 327.43, Subdivision 1; 327.51, Subdivision 1, and by adding subdivisions; 327.55, Subdivisions 1 and 4; and Chapter 327, by adding sections; and Minnesota Statutes, 1979 Supplement, Section 327.43, Subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Johnson, D.	Moe	Reding
Adams	Drew	Jude	Munger	Rees
Albrecht	Eken	Kahn	Murphy	Reif
Anderson, B.	Elihoff	Kaley	Nelsen, B.	Rice
Anderson, D.	Ellingson	Kalis	Nelsen, M.	Rodriguez
Anderson, I.	Erickson	Kelly	Nelson	Rothenberg
Anderson, R.	Esau	Kempe	Niehaus	Sarna
Battaglia	Evans	Knickerbocker	Norman	Schreiber
Begich	Ewald	Kostohryz	Novak	Searle
Berglin	Faricy	Kroening	Nysether	Searles
Berkelman	Fjoslien	Kvam	Olsen	Sherwood
Biersdorf	Friedrich	Laidig	Onnen	Sieben, H.
Brinkman	Fritz	Lehto	Osthoff	Sieben, M.
Byrne	Fudro	Long	Otis	Simoneau
Carlson, D.	Greenfield	Luknic	Patton	Stadum
Carlson, L.	Halberg	Mann	Pehler	Stoa
Casserly	Haukoos	McCarron	Peterson, B.	Stowell
Clark	Heap	McDonald	Peterson, D.	Sviggum
Clawson	Hoberg	McEachern	Piepho	Swanson
Corbid	Hokanson	Mehrkens	Pleasant	Thiede
Crandall	Jacobs	Metzen	Prahl	Tomlinson
Dean	Jennings	Minne	Redalen	Valan

Valento	Waldorf	Wenzel	Wynia	Spkr. Norton
Vanasek	Weaver	Wieser	Zubay	
Voss	Welch	Wigley		

Those who voted in the negative were:

Den Ouden	Ludeman	Welker
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The bill was passed, as amended, and its title agreed to.

Halberg and Hoberg were excused for the remainder of today's session.

S. F. No. 2100, A bill for an act relating to trade regulations; providing limits on formaldehyde concentrations emitted from building materials and insulation; prohibiting certain transactions; enacting the uniform trade secrets act; providing remedies; prescribing penalties.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kelly	Norman	Searles
Adams	Elioff	Kempe	Novak	Sherwood
Albrecht	Ellingson	Knickerbocker	Nysether	Sieben, H.
Anderson, B.	Erickson	Kostohryz	Olsen	Sieben, M.
Anderson, D.	Esau	Kroening	Onnen	Simoneau
Anderson, G.	Evans	Kvam	Osthoff	Stadum
Anderson, I.	Ewald	Laidig	Otis	Stoa
Anderson, R.	Faricy	Lehto	Patton	Stowell
Battaglia	Fjoslien	Long	Pehler	Sviggum
Begich	Friedrich	Luknic	Peterson, B.	Swanson
Berglin	Fritz	Mann	Peterson, D.	Thiede
Berkelman	Fudro	McCarron	Piepho	Tomlinson
Brinkman	Greenfield	McDonald	Pleasant	Valan
Byrne	Haukoos	McEachern	Prahl	Valento
Carlson, D.	Heap	Mehrkens	Reding	Vanasek
Carlson, L.	Heinitz	Metzen	Rees	Voss
Casserly	Hokanson	Minne	Reif	Waldorf
Clark	Jacobs	Moe	Rice	Weaver
Clawson	Jaros	Munger	Rodriguez	Welch
Corbid	Jennings	Murphy	Rose	Wenzel
Crandall	Johnson, D.	Nelsen, B.	Rothenberg	Wieser
Dean	Jude	Nelsen, M.	Sarna	Wigley
Dempsey	Kahn	Nelson	Schreiber	Zubay
Drew	Kaley	Niehaus	Searle	Spkr. Norton

Those who voted in the negative were:

Biersdorf	Kalis	Ludeman	Redalen	Welker
Den Ouden				

The bill was passed and its title agreed to.

S. F. No. 251 was reported to the House.

Albrecht moved to amend S. F. No. 251, as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 308.071, is amended to read:

308.071 [COOPERATIVE ASSOCIATIONS, ELECTION OF DIRECTORS.] Subdivision 1. No action heretofore or hereafter taken by the board of directors nor the election of any director of any cooperative association organized under sections 308.05 to 308.18 shall be held to be invalid by reason of any (SUCH) director (HERETOFORE) having been elected at an election at which any stockholder voted by mail (IN ACCORDANCE WITH PROVISIONS FOR MAIL VOTES EXISTING IN THE ARTICLES OF INCORPORATION OR BYLAWS OF SUCH COOPERATIVE ASSOCIATION) prior to (JANUARY 1, 1956) *the effective date of this act.*

Subd. 2. (IF VOTING BY MAIL IS AUTHORIZED BY THE ARTICLES OF INCORPORATION OR THE BYLAWS OF ANY SUCH COOPERATIVE ASSOCIATION, THEN ANY STOCKHOLDER OF SUCH ASSOCIATION MAY, AT ANY ELECTION OF ANY DIRECTOR OF SUCH ASSOCIATION WHICH SHALL BE HELD HEREAFTER AND PRIOR TO JANUARY 1, 1958, VOTE BY MAIL IN THE SAME MANNER AS IS PRESCRIBED BY SECTION 308.07. THIS SHALL NOT BE CONSTRUED AS A DECLARATION OF LEGISLATIVE INTENT AS TO WHETHER OR NOT THE STATUTES, PRIOR TO THIS AMENDMENT, PERMIT THE MAILING OF BALLOTS FOR DIRECTOR'S ELECTIONS.) *No stockholder shall vote by mail for a director unless mail voting is authorized by the articles of incorporation or the bylaws of the association. The ballot shall be in such form as the board of directors of the association shall prescribe for use in electing directors. The stockholders shall mark his ballot for the candidate or candidates of his choice and mail it to the association in a sealed plain envelope inside another envelope bearing his name. If the ballot of the stockholder is received by the association on or before the date of the meeting, the ballot shall be accepted and counted as the vote of the absent stockholder.*

Subd. 3. *If voting by mail is authorized by the articles of incorporation or the bylaws of a cooperative telephone association, a stockholder or member of the association may, at the election of any director of the association held hereafter, vote by mail in the manner prescribed in the articles of incorporation or bylaws of the association and the mail voting shall be by secret ballot.*

Sec. 2. Minnesota Statutes 1978, Chapter 308, is amended by adding a section to read:

[308.105] [VOTING BY MEMBERS.] *Whenever a vote of members or stockholders of a cooperative association is required or provided for on any matter, including a petition pursuant to section 216B.02, subdivision 4, the spouse of the member or stockholder may vote on behalf of the member or stockholder unless the member or stockholder has indicated otherwise.*

Sec. 3. [EFFECTIVE DATE.] *This act is effective the day following final enactment."*

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 114 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kempe	Olsen	Simoneau
Adams	Eken	Knickerbocker	Onnen	Stadum
Ainley	Elioff	Kostohryz	Osthoff	Stoa
Albrecht	Erickson	Kroening	Pehler	Stowell
Anderson, B.	Esau	Kvam	Peterson, B.	Sviggum
Anderson, I.	Evans	Laidig	Peterson, D.	Swanson
Anderson, R.	Ewald	Ludeman	Piepho	Thiede
Battaglia	Faricy	Mann	Pleasant	Tomlinson
Begich	Friedrich	McCarron	Prahl	Valan
Berglin	Fritz	McDonald	Redalen	Valento
Berkelman	Fudro	McEachern	Reding	Vanasek
Biersdorf	Greenfield	Mehrkens	Rees	Voss
Brinkman	Haukoos	Metzen	Reif	Waldorf
Byrne	Heap	Minne	Rice	Weaver
Carlson, D.	Heinitz	Moe	Rodriguez	Welch
Carlson, L.	Hokanson	Munger	Rose	Welker
Clark	Jacobs	Murphy	Rothenberg	Wenzel
Clawson	Jennings	Nelsen, B.	Sarna	Wieser
Corbid	Johnson, D.	Nelsen, M.	Schreiber	Wigley
Crandall	Jude	Nelson	Searles	Wynia
Dean	Kaley	Niehaus	Sherwood	Zubay
Dempsey	Kalis	Norman	Sieben, H.	Spkr. Norton
Den Ouden	Kelly	Novak	Sieben, M.	

Those who voted in the negative were:

Anderson, D.	Lehto	Nysether	Otis	Patton
Fjoslien	Long			

The motion prevailed and the amendment was adopted.

S. F. No. 251, A bill for an act relating to cooperative associations; validating elections of directors by mail voting; authorizing mail voting for directors of cooperative associations; providing for voting by members' spouses; amending Minnesota Statutes 1978, Section 308.071; and Chapter 308, by adding a section.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kempe	Olsen	Stadum
Adams	Eken	Knickerbocker	Onnen	Stoa
Ainley	Elioff	Kostohryz	Osthoff	Stowell
Albrecht	Ellingson	Kroening	Otis	Sviggum
Anderson, B.	Erickson	Kvam	Patton	Swanson
Anderson, D.	Esau	Laidig	Pehler	Thiede
Anderson, I.	Evans	Lehto	Peterson, B.	Tomlinson
Anderson, R.	Faricy	Long	Peterson, D.	Valan
Battaglia	Fjoslien	Ludeman	Piepho	Valento
Begich	Friedrich	Luknic	Pleasant	Vanasek
Berglin	Fritz	Mann	Prahl	Voss
Berkelman	Fudro	McCarron	Redalen	Waldorf
Biersdorf	Greenfield	McDonald	Reding	Weaver
Blatz	Haukoos	McEachern	Rees	Welch
Brinkman	Heap	Mehrkens	Reif	Welker
Byrne	Heinitz	Metzen	Rice	Wenzel
Carlson, D.	Hokanson	Minne	Rodriguez	Wieser
Carlson, L.	Jacobs	Moe	Rose	Wigley
Casserly	Jennings	Murphy	Rothenberg	Wynia
Clark	Johnson, D.	Nelsen, B.	Sarna	Zubay
Clawson	Jude	Nelson	Searles	Spkr. Norton
Corbid	Kahn	Niehaus	Sherwood	
Crandall	Kaley	Norman	Sieben, H.	
Dempsey	Kalis	Novak	Sieben, M.	
Den Ouden	Kelly	Nysether	Simoneau	

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 2085, A bill for an act relating to public employees; creating a state department of employee relations; establishing appropriate units for state and university of Minnesota employees; providing for a right to strike; providing for interim contract approval by the legislative commission on employee relations; clarifying civil service laws; providing for health benefits; providing for a study of promotional systems; repealing

duty of the revisor of statutes regarding certain collective bargaining agreements; appropriating money; amending Minnesota Statutes 1978, Sections 43.001; 43.01, Subdivision 8; 43.05, by adding a subdivision; 43.111; 43.18, Subdivision 4; 43.19, Subdivision 1; 43.245; 43.321; 43.45; 43.46; 179.63, Subdivisions 7 and 8; 179.64, Subdivisions 2, 3, 4, and 5; and by adding a subdivision; 179.67, Subdivision 4; 179.69, Subdivisions 1 and 3; 179.71, Subdivisions 3 and 5; 179.72, Subdivision 6; 179.74, Subdivisions 2 and 3; and Chapters 43 and 179, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 3.855; 43.05, Subdivision 2; 43.067, Subdivision 1; 43.19, Subdivision 1; 43.50, Subdivision 1; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5; and Laws 1979, Chapter 332, Article I, Sections 114 and 116; repealing Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Coleman, Nelson and Ashbach have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVER, Secretary of the Senate

Simoneau moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 2085. The motion prevailed.

SPECIAL ORDERS

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2085:

Simoneau, Novak, and Sviggum.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 8:30 a.m., Friday, April 11, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 8:30 a.m., Friday, April 11, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-EIGHTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, APRIL 11, 1980

The House of Representatives convened at 8:30 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kaley	Niehaus	Sherwood
Adams	Eken	Kalis	Norman	Sieben, H.
Ainley	Elioff	Kelly	Novak	Sieben, M.
Albrecht	Ellingson	Kempe	Nysether	Simoneau
Anderson, B.	Erickson	Knickerbocker	Olsen	Stadum
Anderson, D.	Esau	Kostohryz	Onnen	Stoa
Anderson, G.	Evans	Kroening	Osthoff	Stowell
Anderson, I.	Ewald	Kvam	Otis	Sviggum
Anderson, R.	Faricy	Laidig	Patton	Swanson
Battaglia	Fjoslien	Lehto	Pehler	Thiede
Begich	Forsythe	Levi	Peterson, B.	Tomlinson
Berglin	Friedrich	Long	Peterson, D.	Valan
Berkelman	Fritz	Ludeman	Piepho	Valento
Biersdorf	Fudro	Luknic	Pleasant	Vanasek
Blatz	Greenfield	Mann	Prahl	Voss
Brinkman	Halberg	McCarron	Redalen	Waldorf
Byrne	Haukoos	McDonald	Reding	Weaver
Carlson, D.	Heap	McEachern	Rees	Welch
Carlson, L.	Hoberg	Mehrkens	Reif	Welker
Casserly	Hokanson	Metzen	Rice	Wenzel
Clark	Jacobs	Minne	Rodriguez	Wieser
Clawson	Jaros	Moe	Rose	Wigley
Corbid	Jennings	Munger	Rothenberg	Wynia
Crandall	Johnson, C.	Murphy	Sarna	Zubay
Dean	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Jude	Nelsen, M.	Searle	
Den Ouden	Kahn	Nelson	Searles	

A quorum was present.

Heinitz was excused until 11:30 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. No. 1696 were placed in the members' files.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House File was introduced:

Fritz, Drew, Reif, Sarna and Osthoff introduced:

H. F. No. 2501, A bill for an act relating to malt liquor; restricting sales of certain liquors at sports facilities.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

HOUSE ADVISORIES

The following House Advisory was introduced:

Clawson introduced:

H. A. No. 66, A proposal to sunset certain tax expenditures.

The advisory was referred to the Committee on Taxes.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2302, A bill for an act relating to financial institutions; requiring all checks and drafts drawn on certain accounts to clearly display the month and year the account was opened.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Dempsey moved that the House concur in the Senate amendments to H. F. No. 2302 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2302, A bill for an act relating to financial institutions; requiring all checks and drafts drawn on certain accounts to clearly display the month and year the account was opened; specifying exclusions; providing a penalty.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 106 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kelly	Olsen	Stowell
Adams	Eken	Kempe	Onnen	Swiggum
Ainley	Elioff	Knickerbocker	Osthoff	Swanson
Albrecht	Erickson	Kroening	Otis	Thiede
Anderson, B.	Esau	Kvam	Patton	Tomlinson
Anderson, D.	Evans	Laidig	Pehler	Valan
Anderson, G.	Ewald	Levi	Peterson, B.	Valento
Anderson, I.	Faricy	Ludeman	Piepho	Voss
Battaglia	Fjoslien	Luknic	Prahl	Waldorf
Begich	Forsythe	Mann	Redalen	Weaver
Berkelman	Friedrich	McDonald	Reding	Welch
Biersdorf	Fritz	McEachern	Rees	Welker
Blatz	Fudro	Mehrkens	Reif	Wenzel
Brinkman	Haukoos	Metzen	Rose	Wieser
Byrne	Hoberg	Minne	Rothenberg	Wigley
Carlson, D.	Hokanson	Munger	Sarna	Wynia
Carlson, L.	Jacobs	Murphy	Schreiber	Zubay
Corbid	Jennings	Nelsen, B.	Sharles	Spkr. Norton
Crandall	Johnson, D.	Niehaus	Sherwood	
Dean	Jude	Norman	Sieben, H.	
Dempsey	Kaley	Novak	Sieben, M.	
Den Ouden	Kalis	Nysether	Stadum	

Those who voted in the negative were:

Berglin	Greenfield	Lehto	Rodriguez	Stoa
Casserly	Jaros	McCarron	Simoneau	Vanasek
Clark	Kahn	Peterson, D.		
Ellingson	Kostohryz	Rice		

The bill was repassed, as amended by the Senate, and its title agreed to.

SPECIAL ORDERS

S. F. No. 2099 was reported to the House.

McEachern, Jacobs and Valento offered an amendment to S. F. No. 2099.

POINT OF ORDER

Schreiber raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

Casserly raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 2099, A bill for an act relating to housing; permitting an increase in certain grants made by the housing finance agency; authorizing limitations on the assumability of mortgages made or purchased by a state or local agency; creating a veteran's housing assistance program; modifying the program for moderate rehabilitation of rental properties; changing municipal housing rehabilitation programs; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, Subdivision 17, and by adding a subdivision; 462A.06, Subdivision 11; 462A.21, by adding a subdivision and Minnesota Statutes, 1979 Supplement, Sections 462A.05, Subdivision 15; 462A.21, Subdivision 11; 462C.03, by adding a subdivision; and 462C.05, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Norman	Sherwood
Adams	Eken	Kalis	Novak	Sieben, H.
Ainley	Elioff	Kelly	Nysether	Sieben, M.
Albrecht	Ellingson	Kempe	Olsen	Simoneau
Anderson, B.	Erickson	Kostohryz	Onnen	Stadum
Anderson, D.	Esau	Kroening	Osthoff	Stoa
Anderson, G.	Evans	Kvam	Otis	Stowell
Anderson, I.	Ewald	Laidig	Patton	Sviggum
Battaglia	Faricy	Lehto	Pehler	Swanson
Begich	Fjoslien	Levi	Peterson, B.	Thiede
Berglin	Forsythe	Long	Peterson, D.	Tomlinson
Berkelman	Friedrich	Ludeman	Piepho	Valan
Biersdorf	Fritz	Luknic	Pleasant	Valento
Blatz	Greenfield	Mann	Prahl	Vanasek
Brinkman	Halberg	McCarron	Redalen	Voss
Byrne	Haukoos	McDonald	Reding	Waldorf
Carlson, D.	Heap	McEachern	Rees	Weaver
Carlson, L.	Hoberg	Mehrkens	Reif	Welch
Casserly	Hokanson	Metzen	Rice	Welker
Clark	Jacobs	Minne	Rodriguez	Wenzel
Clawson	Jaros	Munger	Rose	Wieser
Corbid	Jennings	Murphy	Rothenberg	Wigley
Crandall	Johnson, C.	Nelsen, B.	Sarna	Wynia
Dean	Johnson, D.	Nelsen, M.	Schreiber	Zubay
Dempsey	Jude	Nelson	Searle	Spkr. Norton
Den Ouden	Kahn	Niehaus	Searles	

The bill was passed and its title agreed to.

S. F. No. 2104 was reported to the House.

Peterson, B., and Prahl moved to amend S. F. No. 2104, the unofficial engrossment, as follows:

Page 1, line 21, before the period insert "*; provided that the interest rate for any sale of land pursuant to Laws of Minnesota 1979, Chapter 301, Section 10, shall be at four percent per annum*"

Page 2, line 4, after the period, insert new sections to read:

"Sec. 2. Minnesota Statutes 1978, Section 94.11, is amended to read:

94.11 [TERMS OF PAYMENT.] The terms of payment for all lots or tracts so sold shall be not less than ten percent of the purchase price thereof at the time of sale with the balance payable as hereinafter provided. If the purchase price of any lot or parcel is \$5,000 or less the balance shall be paid within 90 days of the date of sale. If the purchase price of any lot or parcel is in excess of \$5,000 the balance shall be paid in not less than equal annual installments for not to exceed five years, at the option of the purchaser, with principal and interest payable annually in advance at (THE RATE OF NOT LESS THAN SIX PERCENT PER ANNUM) *a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4, on the unpaid balance, payable to the state treasury on or before June first each year.*

Sec. 3. Minnesota Statutes 1978, Section 282.01, Subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF SALE.] Such sale shall be conducted by the county auditor at the county seat of the county in which such parcels lie, provided that, in St. Louis and Koochiching counties, the sale may be conducted in any county facility within the county, and such parcels shall be sold for cash only and at not less than the appraised value, unless the county board of the county shall have adopted a resolution providing for their sale on terms, in which event such resolution shall control with respect thereto. When the sale is made on terms other than for cash only a payment of at least ten percent of the purchase price must be made at the time of purchase, thereupon the balance shall be paid in not to exceed ten equal annual installments. No standing timber or timber products shall be removed from these lands until an amount equal to the appraised value of all such timber or timber products as may have been standing on such lands at the time of purchase has been paid by the purchaser; provided, that in the case any parcel of land bearing standing timber or timber products is sold at public auction for more than the appraised value, the amount bid in excess of the appraised value shall be allocated between the land and the timber in proportion to the respective appraised values thereof, and no standing timber or timber products shall be removed from such land until the amount of such excess bid allocated to timber or timber products shall have been paid in addition to the appraised value thereof. When sales are made

on such terms the interest rate on the unpaid portion shall be (FOUR PERCENT PER ANNUM) at a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4. The purchaser at such sale shall be entitled to immediate possession, subject to the provisions of any existing valid lease made in behalf of the state.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 282.15, is amended to read:

282.15 [SALES OF FORFEITED LANDS.] Such sale shall be conducted by the auditor of the county wherein such parcels lie and shall be sold to the highest bidder but not for less than the appraised value. Such sales shall be for cash or on the following terms: The appraised value of all merchantable timber on such agricultural lands shall be paid for in full at the date of sale. At least 15 percent of the purchase price of the land shall be paid in cash at the time of purchase, and the balance in not to exceed 20 equal annual instalments, with interest at (THE RATE OF FOUR PERCENT PER ANNUM) a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4 on the unpaid balance each year, both principal and interest to become due and payable on December 31 each year following that in which the purchase was made. The purchaser may pay any number of instalments of principal and interest on or before their due date. When the sale is on terms other than for cash in full the purchaser shall receive from the county auditor a contract for deed, in such form as shall be prescribed by the attorney general. The county auditor shall make a report to the commissioner of natural resources not more than 30 days after each public sale, showing the lands sold at such sales, and submit a copy of each contract of sale.

All lands sold pursuant to the provisions hereof shall, on the second day of January following the date of such sale, be restored to the tax rolls and become subject to taxation in the same manner as the same were assessed and taxed before becoming the absolute property of the state.

Sec. 5. Minnesota Statutes 1978, Section 282.222, Subdivision 4, is amended to read:

Subd. 4. [TERMS OF SALE.] All sales under sections 282.-221 to 282.226 shall be for cash or on the following terms: at least 15 percent of the purchase price shall be paid in cash at the time of the sale, and the balance thereof shall be paid in equal annual instalments over a period of 20 years, with interest at (THE RATE OF FOUR PERCENT PER ANNUM) a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4, payable annually, on the portion from time to time remaining unpaid, with privilege of

prepayment of any instalment on any interest date. Sales on terms shall be evidenced by a certificate issued by the county auditor in such form as the attorney general shall prescribe, a copy of which shall be submitted to the commissioner of natural resources forthwith. The appraised value of all merchantable timber on such agricultural lands shall be paid for in cash in full at the time of sale. The county auditor shall report all sales to the commissioner of natural resources forthwith. Failure of the purchaser to make any payment of any instalment or of any interest required under any contract within six months from the date on which such payment shall become due, or to pay before they become delinquent all taxes that may be levied upon the land so purchased, shall constitute a default, and thereupon the contract shall be deemed canceled and all right, title, and interest of the purchaser, his heirs, representatives, or assigns in the premises shall terminate without the doing by the state of any act or thing whatsoever. A record of such default shall be made in the state land records kept by or under the direction of the commissioner of natural resources, and a certificate of such default may be made by or under the direction of the commissioner and filed with the county treasurer or recorded in the office of the county recorder of the county in which the premises are situated. Any such record or certificate shall be prima facie evidence of the facts therein stated, but the making of such record or certificate shall not be essential to the taking effect of such cancelation and termination, and thereupon the land described in the contract shall be subject to disposition as provided in this section, upon first having been reclassified and reappraised as provided by section 282.221. The county auditor shall report any such default to the commissioner of natural resources on or before June 30th of each year.

Sec. 6. Minnesota Statutes 1978, Section 282.261, is amended to read:

282.261 [DOWN PAYMENT.] A person repurchasing under section 282.241 shall pay at the time of repurchase not less than one-tenth of such repurchase price and shall pay the balance in ten equal annual instalments, with the privilege of paying the unpaid balance in full at any time, with interest at (THE RATE OF FOUR PERCENT) *a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4*, on the balance remaining unpaid each year, the first instalment of principal and interest to become due and payable on December 31 of the year following the year in which the repurchase was made, the remaining instalments to become due and payable on December 31 of each year thereafter until fully paid. He shall pay the current taxes each year thereafter before the same shall become delinquent up to the time when he shall pay the repurchase price in full.

Sec. 7. Minnesota Statutes 1978, Section 282.35, Subdivision 2, is amended to read:

Subd. 2. [SPECIAL ASSESSMENTS TO BE REINSTAT-ED.] Upon the repurchase of land pursuant to subdivision 1 any special assessments heretofore canceled under sections 282.01 to 282.13, or any other law, shall be reinstated by the county auditor and any such special assessments so reinstated which are payable in the future shall be paid at the time and in the manner said special assessments would have been payable except for forfeiture, except that special assessments payable in 1943 shall be paid in full at the time of repurchase. The sum of such special assessments that would except for forfeiture have been levied and assessed against such land between the date of forfeiture and January 1, 1943, and payable before such date, shall be computed by the county auditor and included in the purchase price hereunder. When an application to repurchase a parcel of land under this section is made the county auditor shall compute and determine as in the case of omitted taxes, upon the basis of the assessed valuation of such parcel in effect at the time of forfeiture, the amount of taxes that would have been assessed and levied against such parcel between the date of forfeiture and the date of repurchase, and the amount so determined without penalties and costs, with interest at (FOUR PERCENT) *a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4*, shall be included in the purchase price hereunder. When the term "delinquent taxes" is used in subdivision 1, it shall mean the sum of taxes and assessments without penalties or costs, with interest at four percent to the date of repurchase from the time such taxes and assessments became delinquent, accrued against a parcel at the time of forfeiture, and also the sum of taxes and assessments without penalties or costs, with interest at four percent to the date of repurchase from the time such taxes and assessments would have been delinquent that would have been levied and assessed against a parcel between the date of forfeiture and the date of repurchase, computed by the county auditor in the manner provided by this section. If the repurchase is made after May 1, the county auditor shall levy taxes for 1943 on the parcel as in the case of omitted taxes.

Sec. 8. Minnesota Statutes 1978, Section 282.35, Subdivision 3, is amended to read:

Subd. 3. [PAYMENTS TO BE MADE UNDER THIS SECTION.] A person repurchasing under subdivision 1 shall pay at the time of repurchase not less than one-tenth of such repurchase price and shall pay the balance in ten equal annual instalments, with the privilege of paying the unpaid balance in full at any time, with interest at (THE RATE OF FOUR PERCENT) *a rate equal to the rate in effect at the time advertised for sale pursuant to section 47.20, subdivision 4* on the balance remaining unpaid each year, the first instalment of principal and interest to become due and payable on December 31 of the year following the year in which the repurchase was made, the remaining instalments to become due and payable on December 31 of each year thereafter until fully paid. He shall

pay the current taxes each year thereafter before the same shall become delinquent up to the time when he shall pay the repurchase price in full."

Further, amend the title as follows:

Page 1, line 2, after "lands" insert "and tax-forfeited land sales"

Page 1, line 4, delete "Section" and insert "Sections"

Page 1, line 4, before the period insert "94.11; 282.01, Subdivision 4; 282.222, Subdivision 4; 282.261; and 282.35, Subdivisions 2 and 3; and Minnesota Statutes, 1979 Supplement, Section 282.15"

The motion prevailed and the amendment was adopted.

S. F. No. 2104, A bill for an act relating to state lands; changing the interest rate on unpaid sale balances; amending Minnesota Statutes 1978, Section 92.06, Subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Nelson	Searles
Adams	Eken	Kaley	Niehaus	Sherwood
Ainley	Elioff	Kalis	Norman	Sieben, H.
Albrecht	Ellingson	Kelly	Novak	Sieben, M.
Anderson, B.	Erickson	Kempe	Nysether	Simoneau
Anderson, D.	Esau	Knickerbocker	Olsen	Stadum
Anderson, G.	Evans	Kostohryz	Onnen	Stoa
Anderson, I.	Ewald	Kroening	Osthoff	Stowell
Battaglia	Farcy	Kvam	Otis	Sviggum
Begich	Fjoslien	Laidig	Patton	Swanson
Berglin	Forsythe	Lehto	Pehler	Thiede
Berkelman	Friedrich	Levi	Peterson, B.	Tomlinson
Biersdorf	Fritz	Long	Peterson, D.	Valan
Blatz	Fudro	Ludeman	Piepho	Valento
Brinkman	Greenfield	Luknic	Pleasant	Vanasek
Byrne	Halberg	Mann	Prahl	Voss
Carlson, D.	Haukoos	McCarron	Redalen	Waldorf
Carlson, L.	Heap	McDonald	Reding	Weaver
Casserly	Hoberg	McEachern	Rees	Welch
Clark	Hokanson	Mehrkens	Reif	Welker
Clawson	Jacobs	Metzen	Rice	Wenzel
Corbid	Jaros	Minne	Rodriguez	Wieser
Crandall	Jennings	Munger	Rose	Wigley
Dean	Johnson, C.	Murphy	Rothenberg	Wynia
Dempsey	Johnson, D.	Nelsen, B.	Sarna	Zubay
Den Ouden	Jude	Nelsen, M.	Schreiber	Spkr. Norton

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

S. F. No. 1398, A bill for an act relating to accountancy; providing for the licensing of public accountants; clarifying the law; amending Minnesota Statutes 1978, Sections 326.19, Subdivisions 3 and 4, and by adding a subdivision; Minnesota Statutes, 1979 Supplement, Sections 326.165, Subdivisions 1 and 2; 326.17; 326.18; 326.19, Subdivision 2; 326.211, Subdivisions 3 and 9; 326.212, Subdivision 2; and Laws 1979, Chapter 326, Section 16.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Ainley	Elloff	Kalis	Norman	Sherwood
Albrecht	Ellingson	Kelly	Novak	Sieben, H.
Anderson, B.	Erickson	Kempe	Nysether	Sieben, M.
Anderson, D.	Evans	Knickerbocker	Olsen	Simoneau
Anderson, G.	Ewald	Kostohryz	Onnen	Stadum
Anderson, I.	Farcy	Kroening	Osthoff	Stoa
Battaglia	Fjoslien	Laidig	Otis	Stowell
Begich	Forsythe	Lehto	Patton	Sviggum
Berglin	Friedrich	Levi	Pehler	Swanson
Berkelman	Fritz	Long	Peterson, B.	Thiede
Biersdorf	Fudro	Luknic	Peterson, D.	Tomlinson
Blatz	Greenfield	Mann	Piepho	Valan
Brinkman	Halberg	McCarron	Pleasant	Valento
Byrne	Haukoos	McDonald	Prahl	Vanasek
Carlson, D.	Heap	McEachern	Redalen	Voss
Carlson, L.	Hoberg	Mehrkens	Reding	Waldorf
Casserly	Hokanson	Metzen	Rees	Weaver
Clark	Jacobs	Minne	Reif	Welch
Clawson	Jaros	Moe	Rice	Wenzel
Corbid	Johnson, C.	Munger	Rodriguez	Wieser
Crandall	Johnson, D.	Murphy	Rose	Wigley
Dean	Jude	Nelsen, B.	Rothenberg	Wynia
Dempsey	Kahn	Nelsen, M.	Sarna	Zubay
Drew	Kaley	Nelson	Schreiber	Spkr. Norton
		Niehaus	Searles	

Those who voted in the negative were:

Jennings Ludeman Welker

The bill was passed and its title agreed to.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

CALL OF THE HOUSE

On the motion of Sieben, H., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Elioff	Kaley	Niehaus	Sherwood
Adams	Ellingson	Kalis	Norman	Sieben, H.
Ainley	Erickson	Knickerbocker	Novak	Simoneau
Albrecht	Esau	Kostohryz	Nysether	Stadum
Anderson, B.	Evans	Kroening	Olsen	Stoa
Anderson, D.	Ewald	Kvam	Onnen	Stowell
Anderson, G.	Faricy	Laidig	Osthoff	Sviggum
Anderson, I.	Fjoslien	Lehto	Otis	Swanson
Battaglia	Forsythe	Long	Patton	Thiede
Begich	Friedrich	Ludeman	Peterson, D.	Tomlinson
Biersdorf	Fritz	Luknic	Piepho	Valan
Blatz	Halberg	Mann	Pleasant	Valento
Brinkman	Heap	McDonald	Prahl	Vanasek
Byrne	Heinitz	McEachern	Reding	Voss
Carlson, L.	Hoberg	Mehrkens	Rees	Weaver
Clark	Hokanson	Metzen	Rice	Welch
Clawson	Jacobs	Minne	Rodriguez	Welker
Crandall	Jaros	Moe	Rose	Wenzel
Dean	Jennings	Munger	Rothenberg	Wieser
Dempsey	Johnson, C.	Murphy	Sarna	Wigley
Den Ouden	Johnson, D.	Nelsen, B.	Schreiber	Wynia
Drew	Jude	Nelsen, M.	Searle	Zubay
Eken	Kahn	Nelson	Searles	Spkr. Norton

Faricy moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2470

A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; authorizing purchase and sale of public lands and buildings; appropriating money.

April 11, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2470, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. 2470 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [PUBLIC LAND AND BUILDINGS; 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

ADMINISTRATION	\$17,783,300
NATURAL RESOURCES	1,278,000
ENERGY	39,095,000
MILITARY AFFAIRS	234,000
VETERANS AFFAIRS	2,546,000
EDUCATION	23,257,800
STATE UNIVERSITIES	4,698,000
COMMUNITY COLLEGES	7,390,000
UNIVERSITY OF MINNESOTA	56,746,000
TRANSPORTATION	52,673,000
CORRECTIONS	12,864,100
PUBLIC WELFARE	14,621,500
ECONOMIC SECURITY	489,000
MINNESOTA HISTORICAL SOCIETY	936,000
BOND SALE EXPENSES	133,200
TOTAL	\$234,744,900
General Fund	3,678,400
Game and Fish Fund	454,000

Trunk Highway Fund	9,292,500
Transportation Fund	44,000,000
Building Fund	177,350,000

APPROPRIATIONS

\$ \$

Sec. 2. [ADMINISTRATION.]

To the commissioner of administration for the purposes specified in this section	17,783,800
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(a) Handicapped access to state buildings	4,265,000
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This appropriation shall not be expended for physical remodeling wherever accessibility for the handicapped may be provided by program changes including rescheduling, relocation of classes, or other methods.

The commissioner of administration shall present a proposed work program to the chairman of the house appropriations and senate finance committees and the council for the handicapped for review and comment prior to encumbering money for accessibility remodeling.

(b) Energy conservation	4,300,000
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This appropriation is only for energy projects that have an estimated payback in energy savings in five years or less.

The commissioner of administration shall present a proposed work program to the chairman of the house appropriations and senate finance committees for review and comment prior to encumbering money for energy conservation.

None of this appropriation shall be used for painting walls.

\$ \$

(c) Emergency contingent account 450,000

This appropriation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.

(d) Prepare preliminary plans for conversion of Mechanic Arts High School to state use 50,000

The commissioner of administration in consultation with members of the legislature shall present a plan to the chairman of the house appropriations committee and chairman of the senate finance committee by January 15, 1981 for the utilization of remodeled space in the capitol complex. The plan shall include a consideration of the occupation of some part of the capitol complex by administrative offices of the department of agriculture.

(e) Modify Capitol Square building to meet life safety fire code 360,000

(f) Replace capitol dock and outside freight elevator 137,000

(g) Screen and light Ford building parking lot C and continue grounds improvements 50,000

(h) Repair capitol roof 800,000

(i) Install district heating in capitol complex 2,750,000

This appropriation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.

(j) Repair and refinish exterior walls of motor pool and central stores building 93,000

	\$	\$
(k) Remodel supreme court clerk's office		46,000
(l) Construct pedestrian and utility tunnel to the Ford building		670,000
<p>This appropriation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.</p>		
(m) Construct pedestrian and utility tunnel from Centennial building to Veterans Service building		1,100,000
<p>This appropriation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.</p>		
(n) Construct connecting tunnel to link the Historical Society building with the Mechanic Arts School building and with the gymnasium wing of the Mechanic Arts School building		400,000
<p>This appropriation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.</p>		
(o) Repair Historical Society building rain gutters		49,000
(p) Wood fuel conversion projects		1,050,000
(1) Vermillion Community College, Ely	375,000	
(2) Independent School District No. 692, Babbit	225,000	
(3) Independent School District No. 696, Ely	225,000	
(4) Independent School No. 708, Tower-Soudan	225,000	

\$

\$

The money under clauses (2) to (4) shall be matched by the school district by \$1 for each \$3 of state money. The money under clauses (2) to (4) is a loan. Each loan shall be repaid to the commissioner of finance over a period not to exceed 5 years, with interest at a rate sufficient to cover the cost to the state of borrowing the money. Repayments shall be credited to the state bond fund in the state treasury. The money in clauses (2) to (4) shall not be loaned until an agreement authorized pursuant to section 471.59 is executed by the boards of the designated districts and the state board for community colleges. The agreement shall include the organization of a consortium, the management, accounting and allocation of money among members of the consortium, and the consortium's plans for fuel conversion, plant retrofitting and energy conservation.

(q) Replace break switches	64,000
(r) Modernize and improve elevators in transportation building	619,500
<p>The provisions of Minnesota Statutes, Section 16.821 through 16.827 shall not apply to this project. This appropriation is from the trunk highway fund.</p>	
(s) Replace carpet in governor's reception area	14,800
(t) Raise high voltage switch gear and transformers	135,000
(u) Rehabilitate state ceremonial building	20,000
(v) Emergency contingent account	360,000

This appropriation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.

\$ \$

The appropriations in clauses (q) and (s) to (v) are from the general fund.

Sec. 3. [NATURAL RESOURCES.]

Subdivision 1. To the commissioner of administration or the commissioner of natural resources for the purposes more specifically described in the following subdivisions of this section 1,278,000

Subd. 2. To the commissioner of administration for the purposes specified in this subdivision 1,028,000

(a) Install sewer system at Orr forestry station 8,000

(b) Remodel southern service center 75,000

(c) Improve Rochester regional headquarters facilities 30,000

(d) Improve Badoura forest nursery 385,000

(e) Construct shop and warehouse at New Ulm regional headquarters 382,000

(f) Relocate Dentaybow warehouse or construct shop and warehouse building at Little Fork forestry station 30,000

This appropriation is from the general fund.

(g) Replace well at Lanesboro hatchery 7,000

(h) Construct warehouse for fisheries and forestry at Finland area headquarters 40,000

This building is considered an agricultural building and is exempt from the provisions of the building code relating to public buildings.

(i) Install security fencing and improve road and parking surfaces at various sites 71,000

\$ \$

Of the appropriations in clauses (a) to (e), \$336,000 is from the game and fish fund.

The appropriations in clauses (g), (h), and (i) are from the game and fish fund.

Subd. 3. To the commissioner of natural resources to relocate agricultural dikes along the Red River of the North-state match

250,000

Money spent from this appropriation shall be matched on a dollar for dollar basis by money raised or services provided locally. Federal general revenue sharing money may be counted as money raised locally, but other federal grants or loans shall be used to reduce, equally the state share and the local share of project costs. This project is not eligible for a local dam loan pursuant to Minnesota Statutes, Section 105.482.

Subd. 4. The commissioner of finance in cooperation with the commissioner of administration, the commissioner of natural resources, and the commissioner of public welfare shall develop a plan and estimated costs for locating the Brainerd headquarters facility at the Brainerd state hospital, and an alternative plan and estimated costs for locating it at the St. Andrews school. The plans shall be submitted to the legislature by January 1, 1981.

Sec. 4. [ENERGY.]

Subdivision 1. To the commissioner of finance or the director of the energy agency for the purposes more specifically described in the following subdivisions of this section

39,095,000

Subd. 2. District heating loans

39,025,000

(a) St. Paul

29,525,000

	\$	\$
(b) Moorhead	5,000,000	
(c) Red Wing and Minneapolis	4,000,000	
(d) Preliminary Planning	500,000	

To be spent for the purposes specified in section 23, subdivision 5, clauses (a), (b), and (c), for Bagley, Aitkin, and Virginia.

The appropriations in this subdivision are to the commissioner of finance and shall be expended in accordance with section 23.

Subd. 3. Evaluation of district heating loan applications	70,000
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Approved Complement — 1

This appropriation is from the general fund.

This appropriation and approved complement are for the energy agency. The appropriation is available until June 30, 1981.

Sec. 5. [MILITARY AFFAIRS.]

To the adjutant general for energy conservation projects at armories	234,000
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Sec. 6. [VETERANS AFFAIRS.]

To the commissioner of administration for the purposes specified in this section	2,546,000
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(a) Purchase equipment for Minneapolis nursing facility	212,000
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This appropriation is added to the appropriation in Laws 1976, Chapter 348, Section 3, Subdivision 1.

(b) Complete remodeling of Hastings veterans' home	236,000
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\$ \$

(c) Construct a new facility on the Fergus Falls State Hospital grounds for use as a veterans home	2,000,000
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The facility shall comply with all federal and state regulations relating to the occupancy of buildings used for a veterans home. This appropriation shall be expended only after federal money for construction costs at a rate of 60 percent or more of total project costs has been secured.

To the extent possible, the commissioner of public welfare and the commissioner of veterans affairs shall cooperate in the provision of shared services for the veterans home at Fergus Falls, including but not limited to, laundry services, food service, grounds-keeping and heating.

(d) Demolish buildings at Hastings and Minneapolis veterans homes	98,000
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The commissioner of veterans affairs shall seek the federal share for the projects in this section.

The Minnesota historical society must give written approval before any demolition work in this section is undertaken.

The appropriation in clause (d) is from the general fund.

Sec. 7. [EDUCATION.]

Subdivision 1. To the commissioner of administration, except as otherwise provided, for the purposes more specifically described in the following subdivisions of this section	23,257,800
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Subd. 2. Minnesota School for the Deaf	158,800
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- | | |
|-------------------------------------|---------|
| (a) Install two fire hydrants | 16,000 |
| (b) Repair roofs | 127,800 |

	\$	\$
(c) Install drainage tile at Frechette Hall	10,000	
(d) Refinish gymnasium floor and replace supports where needed	5,000	

The appropriations in this subdivision are from the general fund.

Subd. 3. Minnesota Braille and Sight Saving School	4,205,000
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(a) To the commissioner of administration for a building for blind and multi-handicapped students to include construction, building demolition, activity building code compliance, utilities, sitework, and fees on the campus of the Minnesota Braille and Sight Saving School	4,200,000
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Up to \$300,000 of salary savings from the Braille School and the School for the Deaf may be used to supplement this appropriation.

The total cost of this project shall not exceed \$4,500,000.

(b) Refinish gymnasium floor and replace supports where needed	5,000
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The appropriation in clause (b) is from the general fund.

Subd. 4. To the state board of education for post-secondary vocational-technical construction in the school districts listed in this subdivision	17,894,000
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Independent School District No. 241, Albert Lea	229,500
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The total cost of the project shall not exceed \$270,000 whether paid from state, local, or federal money.

Independent School District No. 206, Alexandria	595,000
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\$

\$

The total cost of the construction shall not exceed \$700,000, whether paid from state, local, or federal money.

Independent School District No. 31,
Bemidji 595,000

The total cost of the construction shall not exceed \$700,000, whether paid from state, local, or federal money.

Independent School District No. 917,
Dakota County 325,000

This appropriation is for an addition to the meat cutting training facility.

The total cost of the construction shall not exceed \$382,400, whether paid from state, local, or federal money.

Independent School District No. 22,
Detroit Lakes 318,800

The total cost of the construction shall not exceed \$375,000, whether paid from state, local, or federal money.

Independent School District No. 595,
East Grand Forks 680,000

This appropriation is contingent upon the signing of a reciprocity agreement relating to post-secondary vocational education by the states of Minnesota and North Dakota.

The total cost of the construction shall not exceed \$800,000, whether paid from state, local, or federal money.

Independent School District No. 894,
Granite Falls 285,600

The total cost of the construction shall not exceed \$336,000, whether paid from state, local, or federal money.

Independent School District No. 423,
Hutchinson 527,000

\$

\$

The total cost of the construction shall not exceed \$620,000, whether paid from state, local, or federal money.

Independent School District No. 324,
Jackson 212,500

The total cost of the construction shall not exceed \$250,000, whether paid from state, local, or federal money.

Independent School District No. 77,
Mankato 411,400

\$212,500 of this appropriation is for construction at the main campus of the Mankato Area Vocational Technical Institute.

\$198,900 of this appropriation is for renovation of the Union School building for post-secondary vocational purposes.

The total cost of the two projects shall not exceed \$484,000, whether paid from state, local, or federal money.

Independent School District No. 152,
Moorhead 153,000

The total cost of the construction shall not exceed \$180,000, whether paid from state, local, or federal money.

Independent School District No. 916. 209,500

The local portion of the cost of this project is \$80,500.

The total cost of the construction shall not exceed \$290,000, whether paid from state, local, or federal money.

Independent School District No. 535,
Rochester 637,500

This appropriation is for renovation of the heating system.

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The total cost of the project shall not exceed \$750,000, whether paid from state, local, or federal money.

Independent School District No. 742,
St. Cloud 1,300,000

The total cost of the construction shall not exceed \$1,529,400, whether paid from state, local, or federal money.

Independent School District No. 625,
St. Paul 5,500,000

This appropriation is for a construction project on the grounds of the main campus of the St. Paul Technical Vocational Institute.

The total cost of the project shall not exceed \$6,470,600, whether paid from state, local, or federal money.

Independent School District No. 793,
Staples 2,697,000

This amount shall not be paid unless the district, with the approval of the voters as provided in Minnesota Statutes, Chapter 475, finances \$741,000 of the cost of the post-secondary vocational-technical construction project approved in this clause through the issuance of local bonds.

Notwithstanding the provisions of Minnesota Statutes, Section 124.564, starting in fiscal year 1982, the district shall not receive post-secondary vocational debt service aid for the state portion of debt service costs with respect to bonds issued in 1960 and that portion of bonds issued in 1969 and in 1971 to finance the "South Campus" post-secondary vocational-technical wing of the district's high school building and interest thereon, but instead, starting with the levy certified in 1980,

\$

\$

shall provide fully for the payments due on these bonds and interest thereon through local tax levies as provided in Minnesota Statutes, Chapter 475.

The total cost of the new construction project shall not exceed \$3,438,000 whether paid from state, local or federal money.

Joint Independent School District No. 287, Suburban Hennepin 1,640,000

The local portion of the cost of this project shall be a minimum of \$603,500 and a maximum of \$760,000. The total cost of the project including money from post-secondary vocational, secondary vocational, and special education services shall not exceed \$2,400,000, whether paid from state, local, or federal money.

Independent School District No. 819, Wadena 607,200

The local portion of the cost of this project shall be a minimum of \$123,100 and a maximum of \$213,800. The total cost of the project shall not exceed \$821,000, whether paid from state, local, or federal money.

Independent School District No. 861, Winona 770,000

The local portion of this project shall be a minimum of \$135,900 and a maximum of \$840,000.

The total cost of the construction shall not exceed \$1,610,000, whether paid from state, local, or federal money.

Handicapped Access 200,000

This appropriation is for remodeling to improve access for physically handicapped persons at area vocational technical institutes.

Subd. 5. To the state board of education	\$ 1,000,000
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This appropriation shall be used to match local district money used for the construction, enlargement, or modification of school buildings when the commissioner of education has determined that these alterations are directly related to reducing or eliminating racial imbalance, and are a part of a desegregation plan approved by the state board of education. This appropriation may be used only for school districts that were cited for the first time in 1979 by the commissioner of education for noncompliance with department of education rule number EDU 620-639 relating to equality of educational opportunity and school desegregation.

This money shall be expended only after plans have been submitted to the legislative advisory committee for review and their recommendation has been made pursuant to Minnesota Statutes, Section 3.30.

Independent School District No. 709, Duluth, may issue general obligation bonds in the amount of \$1,000,000 for the purpose of erecting an elementary school building. The bonds shall be sold and issued pursuant to the provisions of Minnesota Statutes, Chapter 475, except as provided in this subdivision. The bonds shall not be included in computing any debt limitation for the district and no election shall be required for their sale and issuance.

This subdivision is effective upon approval by a majority of the governing body of Independent School District No. 709, Duluth, and upon compliance with Minnesota Statutes, Section 645.021.

Sec. 8. [STATE UNIVERSITIES.]

Subdivision 1. To the commissioner of administration for the purposes more

	\$	\$
specifically described in the following subdivisions of this section		4,698,000

Subd. 2. Mankato Campus

Improve heating, ventilation, and air conditioning at Armstrong hall		163,000
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Subd. 3. Moorhead Campus

Rehabilitate Lommen hall		900,000
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Subd. 4. St. Cloud Campus

Rehabilitate boiler		60,000
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Subd. 5. Winona Campus		2,975,000
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(a) Rehabilitate Somsen Hall		1,200,000
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This appropriation is for the following projects:

(1) Replace windows		399,000
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(2) Install elevator		225,000
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(3) Enclose stairwells		399,000
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(4) Architect fees and other related expenses		177,000
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The state university board may transfer amounts among clauses (1) to (4) as needed.

(b) Remodel Watkins Hall		565,000
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(c) Campus site work		326,000
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(d) Renovate Phelps Hall		884,000
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Subd. 6. Systemwide		600,000
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(a) Replace windows		400,000
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(b) Roof repairs		200,000
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\$

\$

Sec. 9. [COMMUNITY COLLEGES.]

To the commissioner of administration, except as otherwise provided, for the purposes more specifically described in this section

7,390,000

(a) Construct library, classroom, and college center building and skyway at Minneapolis community college

6,500,000

(b) Roof repairs, road repairs, landscaping, remodeling and maintenance at various campuses

750,000

This appropriation is from the general fund to the chancellor of the community college system.

(c) Prepare plans for expansion of college center, and physical education classroom facilities at Vermillion and Rainy River community colleges

140,000

Sec. 10. [UNIVERSITY OF MINNESOTA.]

Subd. 1. To the regents of the university of Minnesota for the purposes more specifically described in the following subdivisions of this section

56,746,000

Subd. 2. Minneapolis Campus

32,636,000

(a) Construct two interconnected buildings on the West Bank to serve the needs of the Hubert H. Humphrey Institute and the College of Business Administration

13,200,000

Of this amount, a total of \$9,800,000 is for the Hubert H. Humphrey Institute and \$3,400,000 is for the Business College. The regents are authorized to use private funds to increase the Hubert H. Humphrey project to \$11,000,000 and the College of Business Administration project to \$4,000,000.

\$ \$

(b) Construct music facility on the West Bank Campus 12,000,000

(c) Prepare working drawings for Fraser Hall remodeling

\$176,000 of the appropriations cancelled by subdivision 15 of this section is reappropriated for this purpose.

(d) Complete basement space in Koltoff Hall

\$800,000 of the appropriations cancelled by subdivision 15 of this section is reappropriated for this purpose.

(e) Prepare working drawings for remodeling Smith Hall, the total cost not to exceed \$20,000,000

\$850,000 of the appropriations cancelled by subdivision 15 of this section is reappropriated for this purpose.

(f) Install new field house floor

\$564,000 of the appropriations cancelled by subdivision 15 of this section is reappropriated for this purpose.

(g) University area short range transportation program

\$1,070,000 of the appropriations cancelled by subdivision 15 of this section is reappropriated for this purpose.

This appropriation is not directly or indirectly a commitment to participation in Phase II.

(h) Continuation of heating plant conversion 4,069,000

(i) Remodel vacated clinic space for school of public health 3,300,000

(j) Remodel vacated space for department of anesthesiology 67,000

	\$	\$
Subd. 3. St. Paul Campus		16,862,000
(a) Prepare working drawings for Animal Science, Phase II	677,000	
The total cost of the above project shall not exceed \$20,000,000.		
(b) Construct agronomy and plant genetics, plant pathology, and soil science building	15,900,000	
(c) Planning funds for replacement of heating plant boiler	200,000	
(d) Prepare working drawings to remodel portion of North Hall for landscape architecture	85,000	
Subd. 4. Duluth Campus		547,000
(a) Construct greenhouse	287,000	
(b) Complete water distribution system—final phase	260,000	
Subd. 5. Morris Campus		
Remodel Behmler Hall		320,000
Subd. 6. Crookston Campus		2,336,000
(a) Improve heating plant	2,114,000	
(b) Prepare working drawings for Owen Hall	44,000	
(c) Rehabilitate primary electric system	178,000	
Subd. 7. Waseca Campus		871,000
(a) Working drawings for livestock laboratory and holding facility	30,000	
(b) Rehabilitate primary electric system and utilities	241,000	

	\$	\$
(c) Construct mechanized agriculture facility	600,000	
Subd. 8. The Northwest Experiment Station—Crookston		330,000
(a) Remodeling of Agricultural Research Center auditorium	312,000	
(b) Construct chemical storage facility	18,000	

The board of regents may enter into negotiations for the purchase of land not to exceed 40 acres at the Northwest Experiment Station. The university shall consult with the chairmen of the house appropriations committee and the senate finance committee and seek their recommendations prior to making the purchase.

Subd. 9. North Central Experiment Station—Grand Rapids

The board of regents may enter into negotiations for the purchase of land not to exceed 160 acres at the North Central Experiment Station. This authorization shall remain in effect for a period of one year following final approval of this act. The university shall consult with the chairmen of the house appropriations committee and the senate finance committee and seek their recommendations prior to making the purchase.

Subd. 10. West Central Experiment Station—Morris

Improve road surfaces and drainage	61,000
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Subd. 11. Southern Experiment Station—Waseca	199,000
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(a) Construct dairy heifer facility	159,000
(b) Construct machinery storage building	40,000

\$

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This building is considered an agricultural building and is exempt from the provisions of the building code relating to public buildings.

The board of regents may enter into negotiations for the purchase of land not to exceed 120 acres at the Southern Experiment Station to be used solely for university functions, agricultural research, and educational practices performed by the university. This authorization shall remain in effect for a period of one year following final approval of this act. In the course of the negotiations, the university shall consult with the chairmen of the house appropriations committee and the senate finance committee and seek their recommendations prior to making the purchase.

Subd. 12. Horticultural Research Center—Chanhassen

Refurbish greenhouse	29,000
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Subd. 13. Hormel Institute—Austin

Supplemental appropriation for animal holding facility	130,000
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Subd. 14. System-wide	2,425,000
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(a) Upgrade facilities to accommodate physically handicapped	1,000,000
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(b) OSHA projects	250,000
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(c) Remodel facilities to conserve energy	1,000,000
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The appropriation in (c) above is to be spent on projects as shown on official conference committee work papers.

(d) Remove and replace diseased trees	175,000
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Subd. 15. The unencumbered balances of appropriations made by Laws

\$

\$

1978, Chapter 792, Section 11, Subdivision 2, Clauses (f) and (h) are cancelled.

Sec. 11. [TRANSPORTATION.]

Subdivision 1. To the commissioner of transportation for the purposes specified in this section	52,673,000
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Subd. 2. Transportation capital improvements	30,900,000
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This appropriation is from the state transportation fund for the actual construction, reconstruction, and improvement of the state transportation system. Priority for use of this money shall be given to projects that match federal aid or that expedite the completion of the interstate transportation system.

Subd. 3. Bridge Construction	10,000,000
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This appropriation is from the state transportation fund for the design, construction, and reconstruction of key bridges and bridge approaches on the state transportation system, including interstate routes. This appropriation shall be expended in accordance with the requirements for expenditure of money from the Minnesota state transportation fund for trunk highway bridges under Minnesota Statutes, Section 174.50 and rules promulgated pursuant to that section.

Subd. 4. Interstate Highway substitution	3,100,000
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This appropriation is from the state transportation fund and shall be used to pay the local share of a transportation project for service of urbanized and connecting corridors in unurbanized areas that is approved by the United States secretary of transportation, the governor, and the regional councils and local government units responsible, in substitution for interstate routes withdrawn from the areas.

\$

\$

Notwithstanding Minnesota Statutes, Section 161.12, the local match apportioned to the city of Minneapolis is available only if the city agrees that the excess right of way located east of the Mississippi returned to the city shall be utilized to provide park facilities and residential housing compatible with the immediate residential area through which it passes.

Subd. 5. Operating facilities	4,649,000
(a) Repair and improve facilities statewide	365,000
(b) Construct salt storage buildings	350,000
(c) Construct electronic communications buildings	70,000
(d) Construct Morris headquarters building	2,323,000
(e) Acquire land at Park Rapids	20,000
(f) Construct addition to Golden Valley office	926,000
<p>This appropriation includes \$7,500 for remodeling of the Golden Valley district headquarters office building and \$12,500 for remodeling to provide space for the highway patrol at the Golden Valley office.</p>	
(g) Construct equipment storage building at Aitkin	278,000
(h) New building contingency	315,000
(i) Land contingency	2,000

If the commissioner of transportation does not have sufficient money to match all available federal aid for road and bridge construction during the biennium

\$ \$

ending June 30, 1981, the commissioner shall defer the construction of some or all of the buildings in this subdivision until it is possible to match federal aid.

Subd. 6. Construct interstate weigh stations at Scanlon, Worthington, and Rogers(2)

4,024,000

The appropriations in subdivisions 5 and 6 are from the trunk highway fund.

Subd. 7. The commissioner of transportation may expend any portion of the appropriation made by Laws 1978, Section 8, Subdivision 4, clause (b) for planning, design, and preliminary development of a consolidated truck station serving the Dakota County area. Preliminary development may include land acquisition, site development, Utility extension and other on site activities required preparatory to building construction for a consolidated facility as presented to the 1980 session of the legislature.

Sec. 12. [CORRECTIONS.]

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section.

12,864,100

Subd. 2. Minnesota Correctional Facility—Red Wing

210,000

(a) Roof, gutter and down-spout repairs 73,400

(b) Replace greenhouse windows 16,800

(c) Insulate attics in four buildings 25,700

(d) Upgrade electrical capacitors 10,100

	\$	\$
(e) Repair Knox cottage masonry, complete tuckpointing projects, repair storm sewer	56,000	
(f) Resurface roads and parking lots	28,000	

The appropriation in clause (f) is from the general fund.

Subd. 3. Minnesota Correctional Facility—Lino Lakes

282,100

(a) Renovate boilers and boiler room floor	28,100	
(b) Repair cottage roofs, windows, showers and roads	81,700	
(c) Remodel cottages to increase capacity and improve living conditions ..	28,900	
(d) Remodel industry area	65,000	
(e) Security intercom system	22,400	
(f) Insulate ceilings and mechanical areas	22,400	
(g) Repair water tank	33,600	

The appropriation in clause (g) is from the general fund.

Subd. 4. Minnesota Correctional Facility—Shakopee

Repair steps to Anthony and Higbee cottages	3,200	
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This appropriation is from the general fund.

Subd. 5. Willow River Camp

82,200

(a) Construct steel frame building for truck body shop and truck driver training programs	63,100	
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	\$	\$
(b) Replace kitchen/dining hall roof	12,400	
(c) Tile barracks floors	6,700	
Subd. 6. Minnesota Correctional Facility—Sauk Centre		159,500
(a) Roof repair to Sullivan and Evers buildings	43,000	
(b) Remodel Mary Lyon school	54,200	
(c) Remodel and repair Sinclair Lewis Hall	24,700	
(d) Replace underground water lines	28,600	
(e) Replace boiler	9,000	
Subd. 7. Thistledeew Camp Insulation		60,500
Subd. 8. Minnesota Correctional Facility—Stillwater		3,448,600
(a) Water treatment plant addition	11,200	
(b) Health and safety measures	977,400	
(c) Power plant improvements	2,292,000	
<p>The commissioners of administration, finance, and corrections shall jointly study the feasibility of purchasing steam from the Northern States Power plant, and submit a report to the chairman of the senate finance committee and the chairman of the house appropriations committee for their recommendation. This appropriation is available for either modifying the present power plant or for the Northern States Power alternative, but shall not be available until a recommendation has been received from the two chairmen.</p>		
(d) Tuckpointing		168,000

\$

\$

The appropriation in clause (d) is from the general fund.

Subd. 9. Minnesota Correctional Facility—St. Cloud	798,000
(a) New windows in cell house B ..	61,600
(b) New windows in industries building	73,900
(c) Replace cell house screens	52,500
(d) Refinish interior walls of cells in A, B, and C cell houses	183,700
(e) Construct second deck in maintenance area	84,000
(f) Boiler repairs	26,900
(g) New stairway to "G" dorm area	33,600
(h) Reroof E house and dayroom, new toilets in welding and upholstery shops	52,000
(i) Dayroom for B house	150,000
(j) Recarpet dining room	16,000
(k) Tuckpointing	50,400
(l) Paint water tower	13,400

The appropriations in clauses (j) to (l) are from the general fund.

Subd. 10. Correctional facility for women offenders	305,000
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This appropriation is available immediately to the commissioners of administration and corrections for the following purposes:

(a) Determine the feasibility of utilizing existing structures at the Shakopee site;

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\$

(b) Study the potential for shared or cooperative programming and joint facility usage;

(c) Study the feasibility of a new facility at Shakopee;

(d) Development of operational program statements;

(e) Development of operational cost estimates;

(f) Development of an architectural space program;

(g) Development of schematic architectural drawings;

(h) Completion of design development, including cost estimates; and

(i) Full consideration of the economics of other locations.

A report shall be submitted to the 1981 legislature.

Subd. 11. Jail Construction Grants

7,500,000

This appropriation is for grants to counties for detention facilities pursuant to Minnesota Statutes, Section 241.022, as amended by this act, to be available until expended.

This appropriation shall be used only to fund phase one local correctional facility construction as described in the department of corrections statewide jail plan of 1980, and to fund grants to groups of counties that contain at least one county whose jail, lockup, or other adult correctional facility has been inspected by the commissioner and determined to be subject to condemnation or in immediate need of major repair and renovation as of January 1, 1980, and that desire to jointly operate

\$

\$

a newly constructed or renovated existing facility.

For local correctional facility construction commenced before March 1, 1980, under construction and unoccupied on the effective date of this act, the total grant for a particular facility shall not exceed \$6,250 per approved bed, or 12.5 percent of the total cost of construction or renovation, whichever is less.

For local correctional facility construction commencing on or after March 1, 1980, the total grant for a particular facility shall not exceed \$12,500 per approved bed, as established in the statewide jail plan, or 25 percent of the total cost of construction or renovation, whichever is less.

Subd. 12. Advisory Task Force on Jails 15,000

This appropriation is from the general fund to the commissioner of corrections, to be available until June 30, 1981.

Subd. 13. The commissioner of administration may transfer unencumbered balances in any of the subdivisions in this section, other than subdivisions 11 and 12, to other subdivisions in this section. The transfers may be completed after notifying the chairmen of the senate finance committee and house appropriations committee of the purpose, reason, and amount of the transfer.

Sec. 13. [PUBLIC WELFARE.]

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section 14,621,500

Subd. 2. Ah-Gwah-Ching State Nursing Home 937,000

	\$	\$
(a) Relocate paint shop	46,000	
(b) Fire alarms and replacing wooden floors and doors	244,000	
(c) Remodel Hall pavilion, B and C buildings	379,000	
(d) New water tower	180,000	
(e) Ash handling system	64,000	

The remaining unexpended appropriation from Laws 1971, Chapter 963, Section 2, Subdivision 14, Clause (2), shall be added to the appropriation in clause (e).

(f) Tuckpointing power house, C and E buildings	24,000	
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The appropriation in clause (f) is from the general fund.

Subd. 3. Oak Terrace State Nursing Home	622,000	
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(a) Roof repairs to buildings 11 and 17	65,000	
(b) Patient ward remodeling	552,000	
(c) Road resurfacing	5,000	

The appropriation in clause (c) is from the general fund.

Subd. 4. Anoka State Hospital	268,000	
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(a) Emergency generator	180,000	
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This appropriation is from the general fund.

(b) Repair smokestack, replace water service	88,000	
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Subd. 5. Brainerd State Hospital	3,099,000	
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(a) Roof repair	187,000	
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	\$	\$
(b) Remodel building 7	42,000	
(c) Improve Security in building 1	12,000	
(d) Improve Security in building 22	48,000	
(e) Remodel building 6	831,000	
(f) Remodel building 8	975,500	
(g) Remodel building 21	975,500	
(h) Road and parking lot repairs	28,000	

The appropriation in clause (h) is from the general fund.

Subd. 6. Cambridge State Hospital

889,000

(a) Roof repair	272,000
(b) Code remodeling for infirmary, cottages 1, 3, 4, 9, and 12, and Delwood North and South	217,000
(c) Elevators in cottages 8 and 11	168,000
(d) Emergency generator	207,000
(e) Road and parking lot repairs	25,000

The appropriation in clause (e) is from the general fund.

Subd. 7. Faribault State Hospital

3,193,000

(a) Remodel Seneca and Mohawk	769,000
(b) Remodel Elm, Hickory and the medical hospital	1,417,000
(c) Exit stair towers for Oaks	100,000
(d) Reroof Linden and Seneca	372,000
(e) Renovate laundry	275,000
(f) Repair roads	150,000

	\$	\$
(g) Testing and monitoring of electricity	25,000	
(h) Emergency battery lighting	85,000	
The appropriations in clauses (g) and (h) are from the general fund.		
Subd. 8. Fergus Falls State Hospital		2,178,000
(a) Remodel men's geriatrics building	750,000	
(b) Fire and life safety and remodel Kirkbride building, West Detached and South West	1,148,000	
(c) Roof repair for the Kirkbride building, kitchen, and geriatrics building	215,000	
(d) Road and parking lot repairs	65,000	
The appropriations in clause (d) is from the general fund.		
Subd. 9. Moose Lake State Hospital		734,500
(a) Roof repair for buildings 1, 2, 3, 4, 51, 52 and 60	174,000	
(b) Remodel buildings 1, 2, 3, 4, 10, 50, 54, 55, 56, and 65	435,500	
(c) Renovate lock system	75,000	
(d) Road and parking lot repairs	50,000	
The appropriation in clause (d) is from the general fund.		
Subd. 10. Rochester State Hospital		321,000
(a) Water chiller system for building 8	165,000	

	\$	\$
(b) Replace boiler controls, renovate elevators in buildings PS 2 and Medical 2, repair roads	133,000	
(c) Caulking and tuckpointing	23,000	
The appropriations in clauses (b) and (c) are from the general fund.		
Subd. 11. St. Peter State Hospital		1,375,000
(a) Complete construction of the new security hospital	702,000	
The \$276,000 loan made available to the commissioner of administration to allow acceptance of the bids for the new security hospital is cancelled to the general fund.		
(b) Reroof machine shop and laundry	142,000	
(c) Life safety code improvements	500,000	
(d) Improvements to campus electrical distribution system and water treatment system	31,000	
Subd. 12. Willmar State Hospital		355,000
(a) Life safety code improvements	130,000	
(b) Remodel bathing facilities	140,000	
(c) Roof repairs to Cottage 1, pump house 5 and all cottage porches	70,000	
(d) Construct loading dock in laundry	10,000	
(e) Repair deep well	5,000	
The appropriation in clause (e) is from the general fund.		
Subd. 13. Furniture and carpeting		500,000
Subd. 14. Demolition of buildings		150,000

\$

\$

Notwithstanding any law to the contrary, the commissioner of public welfare shall demolish any old or obsolete buildings immediately using any present or prior appropriation.

The appropriations in subdivisions 13 and 14 are from the general fund.

Subd. 15. In order to expedite the projects at state hospitals and nursing homes provided for in this section, the commissioner of administration may retain the designing architects and engineers currently working on similar projects at these hospitals and need not follow the procedure for selection of architects and engineers set forth in Minnesota Statutes, Chapter 16.

Subd. 16. The commissioner of administration may prioritize the need for road repair at the various department of public welfare institutions and reallocate the road repair appropriations accordingly.

Subd. 17. The commissioner of administration may transfer unencumbered balances in any of the subdivisions in this section to other subdivisions in this section. The transfers may be completed after notifying the chairmen of the senate finance committee and house appropriations committee of the purpose, reason, and amount of the transfer.

Sec. 14. [ECONOMIC SECURITY.]

To the commissioner of administration to renovate St. Paul area office 489,000

Sec. 15. [MINNESOTA HISTORICAL SOCIETY.]

To the Minnesota historical society for the purposes specified in this section 936,000

(a) Exhibit construction and development 180,000

\$

\$

This appropriation is for exhibit construction and development in the gymnasium wing of the Mechanic Arts School building.

(b) Install sprinkler system at society building 66,000

(c) Plan and design Itasca Interpretive center 100,000

The historical society may use unexpended balances from other construction projects to supplement this appropriation. The total spent for this purpose shall not exceed \$250,000.

(d) Restore Lac Qui Parle Mission 88,000

The Minnesota historical society shall consult with the research committees of the Chippewa County and Lac Qui Parle County historical societies with regard to the history of the area and the restoration of the site.

(e) Restore Meighen Store 100,000

(f) Restore Ft. Ridgely, Phase I 39,800

(g) Restore Birch Coulee 15,000

(h) Fort Snelling Visitor Center

\$425,000 of federal money received in reimbursement for the appropriation in Laws 1978, Chapter 792, Section 12, Subdivision 2 is appropriated to the Minnesota historical society for the Fort Snelling Visitor Center.

(i) Interior and exterior renovation at Hill house 135,000

(j) Improve energy conservation at historic houses 12,000

(k) Exhibit preparation and storage area and restrooms 25,200

\$ \$

(1) Storage and relocation of collection items 175,000

This appropriation is for the rental of storage space in the Mechanic Arts School building and the relocation of collection items to that space.

The appropriations in clauses (i) to (1) are from the general fund.

Sec. 16. [BOND SALE EXPENSES.]

To the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Section 16A.64, Subdivision 4. 133,200

Sec. 17. [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 an amount up to \$177,350,000 in the manner, upon the terms, and with the effect 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 state transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$44,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, Section 174.51, and by the Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds except premium and accrued interest are appropriated to and shall be deposited in the Minnesota state transportation fund for expenditure in accordance with section 11, subdivisions 2, 3, and 4 and Minnesota Statutes, Section 174.50.

Sec. 18. [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 recommendations, which are advisory only.*

Sec. 19. [REVIEW OF PLANS.] *The commissioner of administration, the commissioner of transportation, and the board of regents of the university of Minnesota shall not prepare final plans and specifications for any construction or major remodel-*

ing 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 are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 20. [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 commissioners of administration and transportation and the board of regents of the university of Minnesota 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. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioners of administration and transportation and the board of 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. 21. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.] The commissioner of administration, the commissioner of transportation, 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, the commissioner of transportation, and the board of regents, as appropriate, 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 are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 22. [METHODS OF ACQUISITION.] Where money has been appropriated by this act 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. 23. Minnesota Statutes 1978, Chapter 116H, is amended by adding a section to read:

[116H.31] **[DISTRICT HEATING LOANS.]** Subdivision 1. **[POLICIES.]** Developing and improving efficient and economical district heating systems is a public purpose for state financing and a proper function of state government. Climate and

geography make a reliable, economic supply of energy essential for industrial, commercial and residential heating. Imported supplies are increasingly costly, unreliable, and environmentally disadvantageous. District heating systems employing cogeneration techniques and innovative technology offer an important means of increasing the efficiency of Minnesota's energy systems and reducing the state's reliance on imported energy supplies. The combination of the large initial capital cost and investors' lack of familiarity with district heating has made the private market reluctant to provide the necessary capital for district heating projects. As a result, public leadership, cooperation, and aid are needed to demonstrate the feasibility of district heating systems by establishing economically viable municipal district heating systems as demonstration projects. Municipal district heating systems may be financed by loans from the state.

Subd. 2. [DEFINITIONS.] In this section:

(a) "Commissioner" means the commissioner of finance.

(b) "Director" means the director of the Minnesota energy agency.

(c) "District heating" means the use of a central energy conversion facility to produce hot water or steam for distribution to homes or businesses. District heating facilities may also produce electricity in addition to hot water or steam.

(d) "Municipality" means any county, city, town, municipal power agency, or public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized.

Subd. 3. [ELIGIBILITY.] The commissioner of finance, upon request of the director of the energy agency, shall make loans to municipalities for the acquisition and betterment of district heating systems. A loan shall be made only to a municipality that has demonstrated that:

(a) The municipality has the financial capability to sponsor the project;

(b) The project is technologically and economically feasible;

(c) The district heating project will become a cogeneration facility or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system; and

(d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the project after construction is completed.

Subd. 4. [PRIORITIES.] The director shall give higher priority to a project that does more to achieve the following goals:

(a) The district heating conversion facility employs cogeneration techniques;

(b) The facility uses renewable or non-petroleum sources of energy;

(c) The district heating facility will save petroleum or natural gas;

(d) The operation of the district heating facility will not have an adverse impact on the environment;

(e) The district heating facility may readily be expanded to serve additional customers or to supply additional amounts of energy, and market demand for the energy exists;

(f) The project has obtained additional financing from the federal government, private sources, or other sources of capital; and

(g) Other goals the director finds desirable for district heating systems.

Subd. 5. [ELIGIBLE COST.] The eligible cost of any municipal district heating project includes (a) preliminary planning to determine the economic, engineering, and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal, economic, and project administrative costs of the agency and the municipality, and other investigations and studies; (c) surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the project; (d) erection, building, acquisition, alteration, remodeling, improvement, and extension of district heating systems, including (1) the capital expenditure incurred by users of the system who undertake modifications of their physical plants to utilize the thermal energy and (2) the capital expenditure incurred by any wholesale supplier of thermal energy to make those modifications necessary to provide the thermal energy to the municipality; (e) inspection and supervision of construction; and (f) loans to potential users of the district heating system to finance conversion of, additions to, or other necessary alterations of their energy systems to facilitate use of energy supplied by the district heating system.

Subd. 6. [AMOUNT.] The amount of a loan shall not exceed:

(a) 40 percent of the costs included under subdivision 5, clause (a);

(b) 80 percent of the costs included under subdivision 5, clauses (b) to (f).

Subd. 7. [TERMS.] A loan is repayable over a period not to exceed 20 years, with interest at a rate sufficient to cover the cost to the state of borrowing the money.

Subd. 8. [APPLICATION.] Application for a loan shall be made by a municipality to the director on a form prescribed by the director by rule. The director shall review each application and determine:

- (a) *Whether or not the project is eligible for a loan;*
- (b) *The priority of the project when ranked with all other eligible projects for which a loan application has been submitted;*
- (c) *The total estimated cost of the project;*
- (d) *The amount of the loan for which the project is eligible;*
- (e) *The terms upon which the loan would be made; and*
- (f) *The means by which the municipality proposes to finance the project, including:*
 - (1) *A loan authorized by state law; or*
 - (2) *A grant of money appropriated by state law; or*
 - (3) *A grant to the municipality by an agency of the federal government within the amount of money then appropriated to that agency and allocated by it to projects within the state; or*
 - (4) *The appropriation of proceeds of bonds or other money of the municipality to an account for the construction of the project; or*
 - (5) *User charges, franchise fees, special assessments, or taxes; or*
 - (6) *Any or all of the means referred to in clauses (1) to (5).*

Subd. 9. [PROJECT APPROVAL.] The director shall prepare and submit to the legislature a list of district heating projects, if any, for which loan applications have been submitted and reviewed. The list shall contain supporting information, including descriptions of the projects, plans, and the determina-

tions made by the director pursuant to subdivision 8. The director shall request the commissioner of finance to make loans for projects within the limits of appropriations provided by the legislature.

Subd. 10 [PAYMENT; OBLIGATION.] The commissioner shall not pay money to a municipality pursuant to an approved loan until he has determined that:

(a) Financing of the project as proposed by the municipality is assured by an irrevocable undertaking, by resolution of the governing body of the municipality, to use all money made available by the financing plan exclusively for the construction of the project, and to pay any additional amount by which the cost of the project exceeds the estimate by the appropriation to the construction account of additional municipal money or the proceeds of additional bonds to be issued by the municipality; and that

(b) The governing body of the municipality has adopted a resolution obligating the municipality to repay the loan according to the terms of the loan. The obligation may be payable solely from user charges, special assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges or special assessments or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan the municipality by resolution of its governing body may fix the rates and charges for district heating system service and products, may enter into contracts for the payment by others of costs of construction, maintenance, and use of the project in accordance with section 444.075, and may pledge the revenues derived therefrom. The commissioner shall condition a loan upon the establishment of rates and charges or the execution of contracts sufficient to produce annually the revenues pledged for repayment of all annual costs of the system, including annual repayment of the state loan.

Subd. 11. [RECEIPTS.] All principal and interest payments received by the commissioner in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner for the purposes of that account.

Subd. 12. [RULES.] The director shall adopt rules necessary to carry out this section. The director may adopt temporary rules pursuant to section 15.0412, subdivision 5, meeting the requirements of this section. The rules shall contain as a minimum:

- (a) *Procedures for application by municipalities; and*
- (b) *Criteria for reviewing loan applications, including those specified in subdivisions 3 and 4.*

Sec. 24. Minnesota Statutes 1978, Chapter 121, is amended by adding a section to read:

[121.2155] [VOCATIONAL-TECHNICAL BUILDING APPROPRIATIONS.] *Money appropriated from the state building fund to the state board of education for post-secondary vocational-technical construction in school districts shall be used 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 established in state board rules and in the legislative act authorizing the specific post-secondary vocational facilities project. A grant shall cover 85 percent of the cost of the post-secondary vocational facilities authorized by the specific legislative act, and 15 percent of the cost of these facilities shall be financed by the school district operating the post-secondary vocational-technical school, unless otherwise provided by the specific legislative act. No local 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. 25. Minnesota Statutes 1978, Section 174.50, Subdivision 1, is amended to read:

174.50 [MINNESOTA STATE TRANSPORTATION FUND.] Subdivision 1. *State assistance is needed to supplement local effort and the highway user tax distribution fund in financing capital improvements to preserve and develop a balanced transportation system throughout the state. Such a system is a proper function and concern of state government and necessary to protect the safety and personal and economic welfare of all citizens. It requires capital expenditures for public facilities, improvements, and equipment that are complementary, additional, or alternate to the trunk highway system and are a proper purpose for contracting public debt and engaging in works of internal improvement under Article XI, Section 5, clause (a) of the Constitution. Reasons for such expenditures are to provide auxiliary facilities for the convenience and safety of persons crossing highways and persons living and working adjacent thereto; to remove or bridge natural obstructions to transportation; to avoid harmful environmental impact of highways on urban, scenic, and recreational areas; to meet the requirements and expedite the completion of the federal interstate highway system; and to reduce the number of private motor cars*

on highways by aiding the development of alternate modes of transportation. Capital expenditures for these purposes exceed requirements for the establishment and maintenance of highways and should be funded from sources other than taxes authorized in Article XIV of the Constitution. Immediate improvement needs are reconstruction and replacement of key bridges and approaches to remove obstructions to the flow of traffic on state and county highways, municipal streets and township roads; and expediting the completion of the interstate highway system in Minnesota by paying the state and local shares of interstate highway segments, and interstate highway substitution projects when approved by the United States secretary of transportation, the governor and the regional councils and local government units responsible.

Sec. 26. Minnesota Statutes 1978, Chapter 198, is amended by adding a section to read:

[198.32] [VETERANS HOME; FERGUS FALLS.] *The commissioner of veterans affairs shall establish a 150 bed veterans home on the grounds of the Fergus Falls state hospital. 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 Fergus Falls shall also be operated as a domiciliary home for veterans in accordance with the United States Veteran's Administration regulations, as amended through January 1, 1980, for veterans' domiciliary homes.*

Sec. 27. Minnesota Statutes 1978, Chapter 216B, is amended by adding a section to read:

[216B.166] [COGENERATING POWER PLANTS.] *Subdivision 1. The legislature finds and declares that significant public benefits may be derived from the cogeneration of electrical and thermal energy and that cogenerated district heating may result in improved utilization and conservation of fuel, the substitution of coal for scarce oil and natural gas, the substitution of domestic fuel for imported fuel, and the establishment of a reliable, competitively priced heat source. Since the cost of cogenerated thermal energy is dependent upon the method used to allocate costs between the production of electric and thermal energy at a power plant, and because the method of cost allocation can be a significant factor in determining investment in district heating, it is necessary to develop cost allocation methods.*

Subd. 2. For the purpose of this section, the following terms shall have the meanings given.

(a) "Cogeneration" means a combined process whereby electrical and thermal energy are simultaneously produced by a public utility power plant.

(b) "District heating" means a process whereby thermal energy is distributed within a community for use as a primary heat source.

(c) "District heating utility" means any person that owns and operates a facility for district heating.

Subd. 3. The methods used to allocate or assign costs between electrical and thermal energy produced by cogeneration power plants owned by public utilities shall be consistent with the following principles:

(a) *The method used shall result in a cost per unit of electricity that is no greater than the cost per unit that would exist if the power plants owned by the public utility had been normally constructed and operated without cogenerating capability;*

(b) *Costs that the public utility incurs for the exclusive benefit of the district heating utility, including but not limited to backup and peaking facilities, shall be assigned to thermal energy produced by cogeneration;*

(c) *The methods and procedures may be different for retrofitted than for new cogeneration power plants; and*

(d) *The methods should encourage cogeneration while preventing subsidization by electric consumers so that both heating and electricity consumers are treated fairly and equitably with respect to the costs and benefits of cogeneration.*

Sec. 28. Minnesota Statutes 1978, Section 241.022, Subdivision 3, is amended to read:

Subd. 3. [APPLICATION FOR GRANTS.] Any county or group of counties operating any of the facilities described in subdivision 1 or desiring to construct and operate or to rehabilitate existing facilities may apply for assistance under this section by submitting to the commissioner of corrections for his approval its plans, specifications, budget, program for training and treatment, and staffing pattern, including personnel qualifications. The commissioner shall prescribe the format and procedures for handling grant applications. The commissioner may recommend (SUCH) changes or modifications (AS) that he deems necessary to effect substantial compliance with the standards provided in subdivision 2. When the commissioner has determined that any county or group of counties has substantially complied with the minimum standards, or is making satisfactory progress toward (SUCH) compliance he may (PAY) award a grant to (SUCH) the counties. Grants shall be awarded to eligible counties in the order in which their applications are accepted and approved by the commissioner. (AN) The amount of a grant shall not (TO) exceed (50) 25 percent of the cost of construction or rehabilitation of the facilities described in this section (, AND,). Fifty per-

cent of the grant shall be paid to the county or group of counties upon approval of the application by the commissioner, and the remaining 50 percent shall be paid after inspection of the newly constructed or renovated facility and a determination by the commissioner that it substantially conforms to minimum standards. In the case of improvement of program and continued operation of any program in a regional facility as described in subdivision 1, he may pay to the governing board of such facility a sum not to exceed \$1,800 per year for each adult bed and \$3,200 per year for each juvenile bed as approved in the submitted plans and specifications.

Sec. 29. [ADVISORY TASK FORCE ON JAILS.] Subdivision 1. [APPOINTMENT; PURPOSE.] By July 1, 1980, the commissioner of corrections shall appoint a 13 member advisory task force to:

(a) Study and make recommendations to the commissioner concerning the scope, content, reasonableness and necessity for the existing rules for operation, construction and remodeling of jails;

(b) Make recommendations to the commissioner of corrections concerning the statutory duties and obligations of the commissioner to implement and enforce the minimum jail standards and the policies and procedures of the commissioner in the discharge of his duties; and

(c) Study and make recommendations on other aspects as requested by the commissioner.

Subd. 2. [MEMBERSHIP; CHAIRMAN.] The advisory task force shall consist of the following:

(a) Three county commissioners;

(b) Three sheriffs;

(c) One judge of the district court designated by the chief justice of the state supreme court;

(d) A member of the house of representatives appointed by the speaker;

(e) A member of the senate appointed by the subcommittee on committees;

(f) A county attorney; and

(g) Three public members, at least one of whom has had lengthy experience in general commercial construction.

The task force shall elect one of the public members to serve as chairman.

In making his appointments the commissioner shall, insofar as possible, ensure that the appointees are representative of the geography of the state; that the economic diversity of the counties is represented; that counties having old, new, large and small jail facilities are represented; and that densely populated and sparsely populated counties are represented.

Subd. 3. [TERMS, COMPENSATION, REMOVAL.] The provisions of section 15.059 shall govern the terms, compensation and removal of the members of the advisory task force.

Sec. 30. Minnesota Statutes 1978, Section 253.015, is amended to read:

253.015 [LOCATION; MANAGEMENT; COMMITMENT; SUPERINTENDENT.] The state hospitals located at Anoka, Brainerd, Fergus Falls (*except for that portion designated as a veterans home*), (HASTINGS,) Moose Lake, Rochester, St. Peter, and Willmar shall constitute the state hospitals for mentally ill, and shall be maintained under the general management of the commissioner of public welfare. The commissioner of public welfare shall determine to what state hospital mentally ill persons shall be committed from each county and notify the probate judge thereof, and of changes made from time to time. The chief executive officer of each hospital for the mentally ill shall be known as the superintendent.

Sec. 31. Minnesota Statutes 1978, Section 412.321, Subdivision 1, is amended to read:

412.321 [MUNICIPAL UTILITIES.] Subdivision 1. [AUTHORITY TO OWN AND OPERATE.] Any statutory city may own and operate any waterworks, *district heating system*, or gas, light, power, or heat plant for supplying its own needs for utility service or for supplying utility service to private consumers or both. It may construct and install all facilities reasonably needed for that purpose and may lease or purchase any existing utility properties so needed. It may, in lieu of providing for the local production of gas, electricity, water, *hot water, steam*, or heat, purchase the same wholesale and resell it to local consumers. After any such utility has been acquired, the council, except as its powers have been limited through establishment of a public utilities commission in the city, shall make all necessary rules and regulations for the protection, maintenance, operation, extension, and improvement thereof and for the sale of its utility products.

Sec. 32. Minnesota Statutes 1978, Section 412.351, is amended to read:

412.351 [COMMISSION, JURISDICTION.] The council shall, in the ordinance establishing the commission, decide which of the following public utilities shall be within the commission's jurisdiction: (1) the city water system; (2) light and power system, including any system then in use or later acquired for the production and distribution of steam heat; (3) gas system; (4) sanitary or storm sewer system or both, including the city sewage disposal plant; (5) public buildings owned or leased by the city; (6) *district heating system*. As used subsequently in sections 412.351 to 412.391, the term "public utility" means any water, light and power, gas or sewer system, or public buildings thus placed by ordinance under the jurisdiction of the public utilities commission. Any public utility not placed under the jurisdiction of the public utilities commission by the ordinance establishing the commission may be placed under the jurisdiction of the commission by an amendment to the original ordinance.

Sec. 33. Minnesota Statutes 1978, Section 412.361, Subdivision 3, is amended to read:

Subd. 3. The commission shall have power to buy all fuel and supplies, and it may purchase wholesale electric energy, steam heat, *hot water energy*, gas or water, as the case may be, for municipal distribution.

Sec. 34. Minnesota Statutes, 1979 Supplement, Section 429.021, Subdivision 1, is amended to read:

429.021 [LOCAL IMPROVEMENTS, COUNCIL POWERS.] Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system.

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) *To construct, extend, and maintain district heating systems.*

Sec. 35. Minnesota Statutes 1978, Chapter 465, is amended by adding a section to read:

[465.74] [AUTHORIZATION TO OPERATE DISTRICT HEATING SYSTEMS.] *Subdivision 1.* [CITIES OF THE FIRST CLASS.] *A city operating or authorized to operate a public utility pursuant to chapter 452 or its charter may acquire, construct, own, and operate a municipal district heating system pursuant to the provisions of that chapter or its charter. Acquisition or construction of a municipal district heating system that is not financed by a pledge of the city's full faith and credit shall not be subject to the election requirement of sections 452.11 and 452.12 or any other law or city charter provision, but must be approved by a three-fifths vote of the city's council or other governing body. Loans obtained by a city pursuant to section 23 that are not secured by a pledge of the city's full faith and credit are not subject to the limitations on the amount*

of money which may be borrowed upon a pledge of the city's full faith and credit or the election requirements for general obligation borrowing, contained in section 452.08 or any other law.

Subd. 2. [CITIES OF THE SECOND AND THIRD CLASS.] A city authorized to operate an electric light plant or an electric light and power plant pursuant to chapter 455 or its charter may acquire, construct, own, and operate a municipal district heating system under that chapter or its charter.

Subd. 3. [EXTENSION OF SERVICE OUTSIDE CITY.] A municipal district heating system, operating pursuant to this section, may sell hot water energy to customers located outside of the municipality and within the state but not more than a distance of 30 miles from the corporate limits of the municipality.

Subd. 4. [NET DEBT LIMITS.] The loan obligations incurred by a political subdivision pursuant to section 23 shall not be considered as a part of its indebtedness under the provisions of its governing charter or of any law of this state fixing a limit of indebtedness.

Sec. 36. [SYSTEM AUDIT.] A municipality operating a district heating system funded in part under the lending provisions of section 23 shall contract a qualified engineering auditing firm to examine the performance of the system every two years after the beginning of operation of the system. The audit shall specifically examine the adequacy of system revenues to insure the proper maintenance and long-term operation of the system. The audit report shall be forwarded to the governor, the energy agency, and the commissioner of finance.

Sec. 37. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Further, delete 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 loans to municipalities for district heating systems; establishing a loan program for wood fuel conversion projects; establishing grants-in-aid for construction or renovation of lockups, jails and other correctional facilities; requiring the establishment of rates by the public service commission that encourage cogeneration plants; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1978, Sections 174.50, Subdivision 1; 241.022, Subdivision 3; 253.015; 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; Chapters 116H, by adding sections; 121, by adding

a section; 198, by adding a section; 216B, by adding a section; and 465, by adding a section."

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

House Conferees: GORDON O. VOSS, DELBERT F. ANDERSON, MICHAEL R. SIEBEN, BOB ANDERSON and GLEN H. ANDERSON.

Senate Conferees: ROGER D. MOE, ROBERT J. TENNESSEN, HUBERT H. HUMPHREY III, JACK I. KLEINBAUM and JOHN B. KEEFE.

Searle, Stadum, Dean, Weiser, McDonald, Nysether and Valan moved that the conference committee report on H. F. No. 2470 be rejected, that a new conference committee be appointed by the Speaker, and that the bill be returned to the conference committee.

A roll call was requested and properly seconded.

The question was taken on the motion to reject the Conference Committee report on H. F. No. 2470 and the roll was called. There were 62 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Peterson, B.	Stowell
Ainley	Forsythe	Laidig	Piepho	Sviggum
Albrecht	Friedrich	Levi	Pleasant	Thiede
Biersdorf	Fritz	Ludeman	Redalen	Valan
Blatz	Halberg	Luknic	Rees	Valento
Carlson, D.	Haukoos	McDonald	Reif	Weaver
Crandall	Heap	Mehrkens	Rose	Welker
Dean	Heinitz	Nelsen, B.	Rothenberg	Wieser
Dempsey	Hoberg	Niehaus	Schreiber	Wigley
Den Ouden	Jennings	Norman	Searle	Zubay
Drew	Johnson, D.	Nysether	Searles	
Erickson	Kaley	Olsen	Sherwood	
Esau	Knickerbocker	Onnen	Stadum	

Those who voted in the negative were:

Adams	Clawson	Kahn	Murphy	Sieben, M.
Anderson, B.	Corbid	Kalis	Nelsen, M.	Simoneau
Anderson, D.	Eken	Kelly	Nelson	Stoa
Anderson, G.	Elioff	Kempe	Novak	Swanson
Anderson, I.	Ellingson	Kostohryz	Osthoff	Tomlinson
Anderson, R.	Evans	Kroening	Otis	Vanasek
Battaglia	Ewald	Lehto	Patton	Voss
Begich	Faricy	Long	Pehler	Waldorf
Berglin	Fudro	Mann	Peterson, D.	Welch
Berkelman	Greenfield	McCarron	Prahl	Wenzel
Brinkman	Hokanson	McEachern	Reding	Wynia
Byrne	Jacobs	Metzen	Rice	Spkr. Norton
Carlson, L.	Jaros	Minne	Rodriguez	
Cassery	Johnson, C.	Moé	Sarna	
Clark	Jude	Munger	Sieben, H.	

The motion did not prevail.

Voss moved that the report of the Conference Committee on H. F. No. 2470 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2470, A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; authorizing purchase and sale of public lands and buildings; appropriating money.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 73 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Johnson, C.	Murphy	Sieben, H.
Adams	Eken	Kahn	Nelsen, B.	Sieben, M.
Anderson, D.	Elioff	Kelly	Nelsen, M.	Simoneau
Anderson, G.	Ellingson	Kroening	Nelson	Stoa
Anderson, I.	Erickson	Laidig	Norman	Swanson
Anderson, R.	Esau	Lehto	Novak	Tomlinson
Battaglia	Evans	Long	Osthoff	Vanasek
Berglin	Ewald	Luknic	Otis	Voss
Berkelman	Faricy	Mann	Pehler	Waldorf
Byrne	Fjoslien	McCarron	Peterson, D.	Welch
Carlson, L.	Fudro	Mehrkens	Prahl	Wenzel
Casserly	Greenfield	Metzen	Reding	Wynia
Clark	Hokanson	Minne	Rice	Spkr. Norton
Clawson	Jacobs	Moe	Rodriguez	
Dean	Jaros	Munger	Rose	

Those who voted in the negative were:

Ainley	Forsythe	Kalis	Onnen	Sherwood
Albrecht	Friedrich	Kempe	Patton	Stadum
Anderson, B.	Fritz	Knickerbocker	Peterson, B.	Stowell
Begich	Halberg	Kostohryz	Piepho	Sviggum
Biersdorf	Haukoos	Kvam	Pleasant	Thiede
Blatz	Heap	Levi	Redalen	Valan
Brinkman	Heinitz	Ludeman	Rees	Valento
Carlson, D.	Hoberg	McDonald	Reif	Weaver
Corbid	Jennings	McEachern	Rothenberg	Welker
Crandall	Johnson, D.	Niehaus	Sarna	Wieser
Dempsey	Jude	Nysether	Searle	Wigley
Den Ouden	Kaley	Olsen	Searles	Zubay

Not having received a three-fifths majority required by the state constitution, the bill, as amended by Conference, was not repassed.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Nelson was excused until later in today's session.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 797

A bill for an act relating to juveniles; juvenile traffic offenders; requiring prosecution of juveniles who commit minor traffic offenses under laws controlling adult offenders; amending Minnesota Statutes 1978, Sections 260.111, Subdivision 1; 260.115, Subdivision 1; 260.121, Subdivision 3; and 260.193.

April 9, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 797, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendment and that H. F. No. 797 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 120.15, is amended to read:

120.15 [CLASSES FOR TRUANTS.] A board may maintain ungraded classes for the instruction of children between seven and 16 years of age who are habitually truant or not in attendance.

(ALL SUCH CHILDREN SHALL BE DEEMED DELINQUENT AND) The board may compel their attendance at such ungraded classes, or any department of the public schools, as the board may determine, and cause them to be brought before the juvenile court of the county for appropriate discipline.

Sec. 2. Minnesota Statutes 1978, Section 152.15, is amended by adding a subdivision to read:

Subd. 4a. Any person 18 years of age or over who violates section 152.09, subdivision 1, clause (2), by possessing on school premises a controlled substance listed on Schedules I or II which is a narcotic drug is punishable by a fine of up to twice that authorized by section 152.15, subdivision 2, clause (1), by a term of imprisonment of up to twice that authorized by section 152.15, subdivision 2, clause (1), or both. Any person 18 years of age or over who violates section 152.09, subdivision 1, clause (2), by possessing on school premises any other controlled substance listed on Schedules I, II, III, IV or V, except a small amount of marijuana, is punishable by a fine of up to twice that authorized by section 152.15, subdivision 2, clauses (2), (3), or (4), by a term of imprisonment up to twice that authorized by section 152.15, subdivision 2, clauses (2), (3), or (4), or both.

For the purposes of this subdivision, "school premises" means the premises of an elementary, middle, or secondary school, or secondary vocational center.

Sec. 3. Minnesota Statutes 1978, Section 260.015, Subdivision 5, is amended to read:

Subd. 5. "Delinquent child" means a child:

(a) Who has violated any state or local law or ordinance, except as provided in section 260.015, subdivision 6, clause (g), and except as provided in section 260.193, subdivision 1; or

(b) Who has violated a federal law or a law of another state and whose case has been referred to the juvenile court (; OR)

((C) WHO IS HABITUALLY TRUANT FROM SCHOOL;
OR)

((D) WHO IS UNCONTROLLED BY HIS PARENT, GUARDIAN, OR OTHER CUSTODIAN BY REASON OF BEING WAYWARD OR HABITUALLY DISOBEDIENT).

Sec. 4. Minnesota Statutes 1978, Section 260.015, Subdivision 6, is amended to read:

Subd. 6. "Dependent child" means a child:

(a) Who is without a parent, guardian, or other custodian;
or

(b) Who is in need of special care and treatment required by his physical or mental condition and whose parent, guardian, or other custodian is unable to provide it; or

(c) Whose parent, guardian, or other custodian for good cause desires to be relieved of his care and custody; or

(d) Who is without proper parental care because of the emotional, mental, or physical disability, or state of immaturity of his parent, guardian, or other custodian; or

(e) *Who is uncontrolled by his parent, guardian or other custodian by reason of being wayward or habitually disobedient; or*

(f) *Who is habitually truant from school; or*

(g) *Who has committed an offense which would not constitute a violation of a state law or local ordinance if he were an adult.*

Sec. 5. Minnesota Statutes 1978, Section 260.173, Subdivision 3, is amended to read:

Subd. 3. If the child had been taken into custody and detained as one who is alleged to be (DELINQUENT) *dependent* by reason of:

(a) Being uncontrolled by his parent, guardian or other custodian, because of waywardness or habitual disobedience; or

(b) Having committed an offense which would not constitute a violation of a state law or local ordinance if he were an adult; or

(c) Having been previously adjudicated (DELINQUENT) *dependent*, or conditionally released by the juvenile court without adjudication of (DELINQUENCY) *dependency*, has violated his probation, parole, or other field supervision under which he had been placed as a result of behavior described in this subdivision; he may be placed only in a shelter care facility.

Sec. 6. Minnesota Statutes 1978, 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),) 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 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),) 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.

(THIS SUBDIVISION APPLIES TO DISPOSITIONS OF JUVENILES FOUND TO BE DELINQUENT AS DEFINED IN SECTION 260.015, SUBDIVISION 5, CLAUSE (C) OR (D) MADE PRIOR TO, ON, OR AFTER JANUARY 1, 1978.)

Sec. 7. Minnesota Statutes 1978, 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, 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.

(d) *Counsel the child or his parent, guardian or custodian.*

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."

Delete the title and insert:

"A bill for an act relating to juveniles; prescribing penalties for the possession of controlled substances on school premises; redefining "delinquent" and "dependent" children; providing for an alternative disposition for dependent children; amending Minnesota Statutes 1978, Sections 120.15; 152.15, by adding a subdivision; 260.015, Subdivisions 5 and 6; 260.173, Subdivision 3; 260.185, Subdivision 1; and 260.191, Subdivision 1."

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

House Conferees: JOHN T. CLAWSON and PEGGY BYRNE.

Senate Conferees: JERALD C. ANDERSON and GERRY SIKORSKI.

Clawson moved that the report of the Conference Committee on H. F. No. 797 be adopted and that the bill be repassed as amended by the Conference Committee.

Olsen moved that the Conference Committee report on H. F. No. 797 be rejected and that the bill be returned to Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Olsen motion to reject the Conference Committee report on H. F. No. 797 and the roll was called. There were 77 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Johnson, D.	Nelsen, B.	Sherwood
Adams	Erickson	Kaley	Niehaus	Stadum
Ainley	Esau	Kelly	Norman	Sviggum
Albrecht	Evans	Kempe	Nysether	Swanson
Anderson, D.	Fjoslien	Knickerbocker	Olsen	Thiede
Anderson, I.	Forsythe	Kroening	Peterson, B.	Valan
Anderson, R.	Friedrich	Kvam	Redalen	Valento
Battaglia	Fritz	Laidig	Rees	Weaver
Begich	Fudro	Levi	Reif	Welker
Berkelman	Halberg	Ludeman	Rice	Wenzel
Biersdorf	Haukoos	Luknic	Rodriguez	Wieser
Blatz	Heap	McDonald	Rose	Wigley
Carlson, D.	Heinitz	McEachern	Sarna	Zubay
Crandall	Hoberg	Mehrkens	Schreiber	
Den Ouden	Hokanson	Metzen	Searle	
Drew	Jennings	Minne	Searles	

Those who voted in the negative were:

Anderson, B.	Eken	Lehto	Patton	Stowell
Anderson, G.	Ellingson	Long	Pehler	Tomlinson
Berglin	Ewald	Mann	Peterson, D.	Vanasek
Brinkman	Faricy	McCarron	Piepho	Voss
Byrne	Greenfield	Moe	Pleasant	Waldorf
Carlson, L.	Jacobs	Munger	Prahl	Welch
Cassery	Jaros	Murphy	Reding	Wynia
Clark	Johnson, C.	Nelsen, M.	Rothenberg	Spkr. Norton
Clawson	Jude	Novak	Sieben, H.	
Corbid	Kahn	Onnen	Sieben, M.	
Dean	Kalis	Osthoff	Simoneau	
Dempsey	Kostohryz	Otis	Stoa	

The Olsen motion prevailed.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1121

A bill for an act relating to taxation; updating the definition of gross income for income tax purposes for individuals, trusts and estates with certain modifications; providing for exempt-interest dividends for certain mutual funds; extending the political contribution credit to congressional and local candidates; clarifying certain definitions; providing a tax credit for energy conservation expenditures; clarifying the renewable energy source credit; increasing the dependent care credit; extending investment tax credits to family corporations; making certain changes in the minimum tax and in the treatment of small business corporations; allowing a ten year carryback of product liability losses; providing for deferral of certain gains recognized in the disposition of broadcasting property; reducing certain property tax classification ratios; increasing homestead credits; changing the property tax status of certain mobile homes; providing for delayed assessments for certain improvements; increasing homestead base value; providing a classification for neighborhood real estate trusts; adjusting levy limits and providing for certain special levies; providing for certain hearings and appeals on special assessments; clarifying property tax settlements; clarifying certain property tax refund filing due dates; extending eligibility for property tax refunds to certain claimants; providing for adjustment of property tax refunds due to abatements; providing state reimbursement for certain property; authorizing heat applied tax stamping machines; increasing the sales tax on retail sales from vending machines; providing a sales tax exemption for certain arts admissions; fixing maximum interest rates on public obligations; excepting certain debt obligations from public sale requirement; appropriating money; amending Minnesota Statutes 1978, Sections 124.212, Subdivision 2; 168.012, Subdivision 9; 273.13, Subdivisions 3 and 17b, and by adding a subdivision; 275.51, by adding a subdivision; 275.52, Subdivisions 2 and 5; 276.04; 276.09; 276.10; 276.11; 290.01, by adding a subdivision; 290.09, Subdivisions 2, 24 and 28; 290.095, by adding a subdivision; 290.13, by adding a subdivision; 290.26, Subdivision 2; 290.49, Subdivision 10; 290.971, Subdivisions 1, 3 and 6; 290.972, Sub-

divisions 1, 3 and 5; 290A.06; 290A.11, by adding a subdivision; 290A.17; 290A.18; 290A.19; 297.03, Subdivision 6; 297A.02; 297A.25, Subdivision 1; 375.192, Subdivision 1; 429.061, Subdivisions 1 and 2; 429.081; 474.06; 475.55; 475.60, Subdivision 2; Chapters 273, by adding sections; and 298, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 273.122; 273.13, Subdivisions 4, 5a, 6, 7, 14a and 19; 275.50, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 11 and 14; 290.067, Subdivisions 1 and 2; 290.09, Subdivision 3; 290.091; 290.095, Subdivision 1; 290.14; 290.17, Subdivision 1; 290.37, Subdivision 1; 290A.03, Subdivision 3; repealing Minnesota Statutes 1978, Section 290.971, Subdivision 5; and Minnesota Statutes, 1979 Supplement, Section 290.23, Subdivision 16.

April 10, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1121, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1121 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

INCOME TAX

Section 1. Minnesota Statutes, 1979 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 "home-owners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended through December 31, 1979.

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 this chapter 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.

(THE AMENDMENTS MADE TO SECTIONS 219(C) (3) AND 220(C) (4) (EXTENDING THE TIME FOR WHICH A TAXPAYER IS DEEMED TO HAVE MADE A CONTRIBUTION TO AN INDIVIDUAL RETIREMENT ACCOUNT FOR THE TAXABLE YEAR) BY SECTION 157(A) OF P.L. 95-600 SHALL BE EFFECTIVE FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1977.)

The provisions of section 4 of P.L. 95-458, and sections 131, 133, 134, 141, 152, 156, 157, and 405 of P.L. 95-600 (relating to pensions, individual retirement accounts, deferred compensation plans, and to the sale of a residence) shall be effective at the same time that these provisions became effective for federal income tax purposes.

(vi) The Internal Revenue Code of 1954, as amended through December 31, 1979, shall be in effect for taxable years beginning after December 31, 1979.

For taxable years beginning after December 31, 1980 and before January 1, 1983, the provisions of section 404 (relating to partial exclusions of dividends and interest received by individuals) of the Crude Oil Windfall Profit Tax Act of 1980, P.L. 96-223, shall apply.

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) the 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) *the* 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) (7) or under section 290.09, subdivision 24;

(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;

(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;

(12) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses (REALIZED) *recognized* upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(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; (AND)

(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 ad-

justed 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) *recognized* by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(16) An amount equal to one-sixth of any gain from the sale or other disposition of property deducted under sections 1202(a) and 1202(c)(1) of the Internal Revenue Code of 1954;

(17) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 50 percent of the portion of the gain. This modification is limited to property that qualified for the energy credit contained in section 290.06, subdivision 14, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (9); and

(18) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss.

(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 50 per centum of (SUCH) the 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) *the* 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) *the* 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) *the* amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, *or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954*, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, 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 firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954 (*AS AMENDED THROUGH DECEMBER 31, 1977*). The maximum amount of this subtraction shall be (\$10,000) *\$11,000* less the amount by which the individual's federal adjusted gross income, *plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954*, exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be (\$10,000) *\$11,000*; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(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;

(8) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain (REALIZED) *recog-*

nized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(9) 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;

(10) 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;

((11) THE AMOUNT OF GAIN ON THE SALE OF THE TAXPAYER'S RESIDENCE EXCLUDED FROM THE FEDERAL GROSS INCOME OF THE TAXPAYER PURSUANT TO SECTION 121 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1978 PROVIDED THAT A TAXPAYER WHO ELECTS UNDER THAT SECTION SHALL NOT, FOR THE PURPOSE OF THIS SUBDIVISION, ALSO TAKE AN EXCLUSION ACCORDING TO THE PROVISIONS OF SECTION 121 OF THE INTERNAL REVENUE CODE, AS AMENDED THROUGH DECEMBER 31, 1976;)

((12)) (11) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. *This modification does not apply to compensation defined in clause (b)(6);* (AND)

((13)) (12) The amount of any income earned for personal services rendered *outside of Minnesota* prior to the date when the taxpayer became a resident of Minnesota. *This modification does not apply to compensation defined in clause (b)(6);*

(13) *In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, 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;*

(14) *In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, 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;*

(15) *Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;*

(16) *To the extent included in federal adjusted gross income, severance pay that may be treated as a lump sum distribution under the provisions of section 290.032, subdivision 5;*

(17) *The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17; and*

(18) *Minnesota exempt-interest dividends as provided by section 2.*

(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) *the* corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of (SUCH) *the* 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) *the* corporation is liquidated or the individual shareholder disposes of (HIS) *the* 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) *the* 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) *the* reserve is distributed to shareholders (SUCH) *the* 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) *the* 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) *the* 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) *the* 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. Minnesota Statutes 1978, Section 290.01, is amended by adding a subdivision to read:

Subd. 27. [MINNESOTA EXEMPT-INTEREST DIVIDENDS.] If, at the close of each quarter of its taxable year, at least 50 percent of the value (as defined in section 851(c)(4) of the Internal Revenue Code of 1954 as amended through December 31, 1979) of the total assets of a regulated investment company (as defined and limited by section 851 of the Internal Revenue Code of 1954 as amended through December 31, 1979 and to which sections 851 to 855 of the Code apply for the taxable

year) consists of obligations described in subdivision 20, clause (b)(1), or section 290.08, subdivision 8, determined without regard to section 290.08, subdivision 13, the company shall be qualified to pay Minnesota exempt-interest dividends, as defined herein, to its shareholders.

(A) A Minnesota exempt-interest dividend means any dividend or part thereof (other than a capital gain dividend as defined in subdivision 21, clause (5) or an exempt-interest dividend as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, as amended through December 31, 1979) paid by a regulated investment company and designated by it as a Minnesota exempt-interest dividend in a written notice mailed to its shareholders not later than 45 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the company, including Minnesota exempt-interest dividends paid after the close of the taxable year as described in section 290.21, subdivision 6, is greater than the excess of—

(i) The amount of interest that would be excludable from gross income under section 290.08, subdivision 8 determined without regard to section 290.08, subdivision 13, if the company were subject to chapter 290, whether or not the company is subject to chapter 290, over

(ii) The amounts that would be disallowed as deductions under section 290.09, subdivisions 3(b) and 13, if the company were subject to chapter 290, whether or not the company is subject to chapter 290, as a result of the company's ownership of obligations described in section 290.08, subdivision 8, determined without regard to section 290.08, subdivision 13, the portion of such distribution which shall constitute a Minnesota exempt-interest dividend shall be only that proportion of the amount so designated as the amount of the excess for the taxable year bears to the amount so designated.

(B) A Minnesota exempt-interest dividend shall be treated by the shareholders for all purposes of chapter 290 as an item of interest excludable from gross income under subdivision 20, clause (b)(1), and section 290.08, subdivision 8, subject to section 290.08, subdivision 13. Such purposes include but are not limited to—

(i) The determination of gross income and taxable income,

(ii) The determination of distributable net income under section 290.23,

(iii) The allowance of, or calculation of the amount of, any credit or deduction, and

(iv) *The determination of the basis in the hands of any shareholder of any share of stock of the company.*

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 11, is amended to to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] 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 \$50) of his contributions to (A POLITICAL PARTY AND CANDIDATE.) candidates for elective state or federal public office and to any political party. *The maximum credit for an individual shall not exceed \$50 and, for a married couple (,) filing jointly, (MAY TAKE A SIMILAR CREDIT OF) shall not (MORE THAN) exceed \$100. No credit shall be allowed under this subdivision for a contribution to any candidate, other than a candidate for elective judicial office or federal 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 OTHER THAN A COUNTY COURT, PROBATE COURT OR COUNTY MUNICIPAL COURT JUDGESHIP. THE DEPARTMENT OF REVENUE SHALL PROVIDE ON THE FIRST PAGE OF THE MINNESOTA TAX FORM AN APPROPRIATE PROVISION FOR THE CREDIT PROVIDED BY THIS SUBDIVISION) For purposes of this subdivision, a political party means a major political party as defined by section 10A.01, subdivision 12.*

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 3c, is amended to read:

Subd. 3c. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3a for taxable years which begin after December 31, 1978 and before January 1, 1980, 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 in the case of the estate of a decedent, \$55, and in the case of a trust, \$5;

(2) In the case of a married individual, living with a spouse, \$110. If the spouses file separate, combined or joint returns the personal credits may be taken by either or divided between them;

(3) In the case of an individual, \$55 for each person (other than a spouse) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. A payment to a divorced or separated spouse, other than a payment for support of minor children under a temporary order or final decree of dissolution or legal separation, shall not be considered a payment by the other spouse 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 \$55;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional \$55;

(c) In the case of a married individual, living with a spouse, an additional \$55 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$55 for each spouse who is blind at the close of the individual's taxable year. If such husband and wife make separate, combined or joint returns, these credits may be taken by either or divided between them;

(d) In the case of an individual, another \$55 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 \$55.

(g) In the case of a married individual, an additional \$55 for each spouse who is deaf at the close of the taxable year. If the spouses file separate, combined or joint returns, these credits may be taken by either or divided between them.

(h) In the case of an individual, an additional \$55 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) (a) In the case of an unmarried individual who is a quadriplegic at the close of the taxable year, an additional \$55;

(b) In the case of a married individual, living with a spouse, an additional \$55 for each spouse who is a quadriplegic at the close of the taxable year. *If the spouses file separate, combined or joint returns, these credits may be taken by either or divided between them;* (AND)

(c) In the case of an individual, another \$55 for each person, other than a spouse, who is *quadriplegic and dependent upon and receiving his chief support from the taxpayer* (, AND WHO IS A QUADRIPLÉGIC AT THE CLOSE OF THE TAXABLE YEAR) *and*

(d) *For the purposes of subparagraphs (a), (b) and (c) of paragraph (5), "quadriplegic" means an individual who has a congenital or traumatic partial or total loss of all four limbs or who has a disability that substantially impairs the functioning of all four limbs.*

(6) 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;

(7) In the case of a non-resident individual, credits under paragraphs 1, 2, 3, 4 and 5 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. 5. Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 3d, is amended to read:

Subd. 3d. [LOW INCOME ALTERNATIVE TAX.] (THE TAXES DUE AS COMPUTED IN ACCORDANCE WITH SECTION 290.06, SUBDIVISIONS 2C, 3C, AND 3E SHALL BE CREDITED WITH THE FOLLOWING AMOUNTS) A claimant as defined in 290.012 may pay a tax computed under this subdivision in lieu of the tax computed under sections 290.06, subdivisions 2c, 3e, 3f, 9, 9a, 11, 14 and 290.081 without the provisions of section 290.012 and this subdivision:

(1) For taxable years beginning after December 31, (1978, A CREDIT EQUAL TO HIS TAX LIABILITY IN THE CASE OF) 1979, the alternative tax shall be zero for the following claimants:

(a) An unmarried claimant with an income of (\$5,500) \$5,800 or less;

(b) A claimant with one dependent, with an income of (\$7,000) \$7,400 or less;

(c) A claimant with two dependents, with an income of (\$8,000) \$8,800 or less;

(d) A claimant with three dependents, with an income of (\$8,900) \$10,000 or less;

(e) A claimant with four dependents, with an income of (\$9,600) \$10,500 or less; and

(f) A claimant with five or more dependents, with an income of (\$10,000) \$11,000 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.

The commissioner of revenue shall provide alternative tax tables which will include these credits.

((4) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980, THE COMMISSIONER OF REVENUE SHALL DETERMINE AND ANNOUNCE BY OCTOBER 1 OF 1981 AND EACH SUBSEQUENT YEAR, THE PERCENTAGE INCREASE FROM AUGUST, 1980 TO, IN 1981, AUGUST, 1981, AND, IN SUBSEQUENT YEARS, FROM AUGUST OF THE PRECEDING YEAR TO AUGUST OF THE CURRENT YEAR IN THE REVISED ALL URBAN CONSUMER PRICE INDEX FOR THE MINNEAPOLIS-ST. PAUL MET-

ROPOLITAN AREA PREPARED BY THE UNITED STATES DEPARTMENT OF LABOR WITH 1967 AS A BASE YEAR. EACH YEAR, THE INCOME EXCLUSION AMOUNTS CONTAINED IN CLAUSE (1) SHALL BE INCREASED BY THE DETERMINED PERCENTAGE, ROUNDED TO THE NEAREST DOLLAR TO PRODUCE THE INFLATION ADJUSTED EXCLUSION AMOUNTS FOR THE TAXABLE YEAR.)

Sec. 6. Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 3f, is amended to read:

Subd. 3f. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3a, and subject to the provisions of subdivision 3g for taxable years which begin after December 31, 1979, the taxes due under the computation in accordance with this section shall be credited with the following amounts:

(1) In the case of an unmarried individual and in the case of the estate of a decedent, \$60, and in the case of a trust, \$5;

(2) In the case of a married individual, living with a spouse, \$120. If the spouses file separate, combined or joint returns the personal credits may be taken by either or divided between them;

(3) In the case of an individual, \$60 for each person (other than a spouse) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. A payment to a divorced or separated spouse, other than a payment for support of minor children under a temporary order or final decree of dissolution or legal separation, shall not be considered a payment by the other spouse 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 \$60;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional \$60;

(c) In the case of a married individual, living with a spouse, an additional \$60 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$60 for each spouse who is blind at the close of the individual's taxable year. If the spouses file separate, combined or joint returns, these credits may be taken by either or divided between them;

(d) In the case of an individual, another \$60 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 \$60.

(g) In the case of a married individual, an additional \$60 for each spouse who is deaf at the close of the taxable year. If the spouses file separate, combined or joint returns, these credits may be taken by either or divided between them.

(h) In the case of an individual, an additional \$60 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) (a) In the case of an unmarried individual who is a quadriplegic at the close of the taxable year, an additional \$60;

(b) In the case of a married individual, living with a spouse, an additional \$60 for each spouse who is a quadriplegic at the close of the taxable year. *If the spouses file separate, combined or joint returns, these credits may be taken by either or divided between them;* (AND)

(c) In the case of an individual, another \$60 for each person, other than a spouse, who is *quadriplegic and dependent upon and receiving his chief support from the taxpayer* (, AND WHO IS A QUADRIPLEGIC AT THE CLOSE OF THE TAXABLE YEAR.); *and*

(d) *For the purposes of subparagraphs (a), (b) and (c) of paragraph 5, "quadriplegic" means an individual who has a congenital or traumatic partial or total loss of all four limbs or who has a disability that substantially impairs the functioning of all four limbs.*

(6) 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.

(7) In the case of a non-resident individual, credits under paragraphs 1, 2, 3, 4 and 5 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. 7. Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL ENERGY CREDIT.] A credit of 20 percent of the first \$10,000 of renewable energy source expenditures, including the expenditures described in clauses (a), (b) and (d) if made by an individual taxpayer on a Minnesota building of six dwelling units or less and expenditures for biomass conversion equipment described in clause (c), may be deducted from the tax due under this chapter of the taxable year in which the expenditures were made. For purposes of this subdivision, the term "building" shall include a condominium or townhouse used by the taxpayer as a residence. In the case of qualifying expenditures incurred in connection with a building under construction by a contractor, the credit shall be deducted from the tax liability of the first individual to purchase the building for use as a principal residence or for residential rental purposes; the contractor shall not be eligible for the credit given pursuant to this subdivision for that expenditure.

A "renewable energy source expenditure" which qualifies shall include:

(a) Expenditures which qualify for the federal renewable energy source credit, pursuant to Section 44C of the Internal Revenue Code of 1954, as amended through December 31, 1978, and any regulations promulgated pursuant thereto, *provided that, after December 31, 1980, any solar collector included in the claimed expenditure is certified by the energy agency. A solar collector is a device designed to absorb incident solar radiation, convert it to thermal energy, and transfer the thermal energy to a fluid passing through or in contact with the device. "Solar collector" shall not include passive solar energy systems as defined in clause (d);*

(b) Expenditures for earth sheltered dwelling units. For purposes of this credit, an "earth sheltered dwelling unit" shall mean a structure which complies with applicable building standards and which is constructed so that:

(1) 80 percent or more of the (WALL) roof area is covered with a minimum depth of 12 inches of earth; and

(2) 50 percent or more of the wall area is covered with a minimum depth of 12 inches of earth; and

(3) Those portions of the structure not insulated with a minimum of seven feet of earth shall have additional insulation;

(c) Expenditures for biomass conversion equipment *located in Minnesota* which produces ethanol, methane or methanol for use as a *gaseous or as a liquid fuel* which is not offered for sale; and

(d) Expenditures for passive solar energy systems. For purposes of this credit, a "passive solar energy system" is defined to include systems which utilize elements of the building and its operable components to heat or cool a building unit *with the sun's energy* by means of conduction, convection, radiation, or evaporation. A passive system shall include:

(1) Collection aperture, including glazing installed in south facing walls and roofs; and

(2) Storage element, including thermal mass in the form of water, masonry, rock, concrete, or other mediums which is designed to store heat collected from solar radiation.

A passive system may include:

(1) Control and distribution element, including fans, louvers, and air ducts; and/or

(2) Retention element, including movable insulation used to minimize heat loss caused by nocturnal radiation through areas used for direct solar heat gain during daylight hours.

Eligible passive expenditures shall be for equipment, materials or devices that are an integral part of the components listed above and essential to the functioning of a passive design which qualifies pursuant to rules promulgated by the commissioner of revenue in cooperation with the director of the energy agency. Expenditures for equipment, materials, or devices which are a part of the normal heating, cooling, or insulation system of a building are not eligible for the credit.

If a credit was allowed to a taxpayer under this subdivision for any prior taxable year, the dollar amount of the maximum expenditure for which a taxpayer may qualify for a credit under this subdivision in subsequent years shall be \$10,000 reduced by the amount of expenditures which a credit was claimed pursuant to this subdivision in prior years. *A taxpayer shall never be allowed to claim more than \$10,000 of expenditures during the duration of the renewable energy credit.*

The credit provided in this subdivision shall not be allowed in a taxable year if the amount of the credit would be less than \$10.

If the credit allowable under this subdivision exceeds the amount of tax due in a taxable year, the excess credit shall

not be refunded but may be carried forward to the succeeding taxable year and added to the credit allowable for that year. No amount may be carried forward to a taxable year beginning after December 31, 1984.

A shareholder in a family farm corporation and each partner in a partnership operating a family farm shall be eligible for the credit provided by this subdivision in the same manner and to the same extent allowed a joint owner of property under (CLAUSE (A)) *section 44C (d) of the Internal Revenue Code of 1954, as amended through December 31, 1979.* "Family farm corporation" and "family farm" have the meanings given in section 500.24.

The credit provided in this subdivision is subject to the provisions of Section 44C, (c) (7), (d) (1) to (3), and (e), of the Internal Revenue Code of 1954, as amended through December 31, 1978, and any regulations promulgated pursuant thereto.

The commissioner of revenue in cooperation with the director of the energy agency shall promulgate rules establishing additional qualifications and definitions for the credits provided in (CLAUSES (A) TO (D)) *this subdivision.*

Notwithstanding section 290.61, the commissioner of revenue may request the energy agency to assist in the review and auditing of the information furnished by the taxpayer for purposes of claiming this credit. The provisions of section 290.61 shall apply to employees of the energy agency who receive information furnished by a taxpayer for purposes of claiming this credit.

The director of the energy agency shall promulgate rules establishing the criteria for certification of solar collectors as required by clause (a). The criteria shall:

- (1) Specify the testing procedures to be used in the evaluation of solar collectors;*
- (2) Establish minimum levels of collector quality for safety;*
- (3) Provide a means to determine the maintainability and structural integrity of solar collectors;*
- (4) Establish a system for evaluating and rating the thermal performance of solar collectors;*
- (5) Specify the procedures to follow to obtain certification of a solar collector;*
- (6) Conform to the maximum extent practicable to the solar collector certification requirements of other states which have adopted certification procedures; and*

(7) *Allow for individual variation so as not to hamper the development of innovative solar collectors.*

The director of the energy agency may promulgate temporary rules pursuant to section 15.0412, subdivision 5 to establish this certification procedure.

This subdivision is effective for expenditures made during taxable years beginning after December 31, 1978 and before January 1, 1983.

Sec. 8. Minnesota Statutes 1978, Section 290.08, Subdivision 24, is amended to read:

Subd. 24. [FAMILY FARM SECURITY LOAN INTEREST.] 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.

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 290.081, is amended to read:

290.081 [INCOME OF NONRESIDENTS, RECIPROCITY.]

(a) The compensation received for the performance of personal or professional services within this state by an individual who resides and has his place of abode and place to which he customarily returns at least once a month in another state, shall be excluded from gross income to the extent such compensation is subject to an income tax imposed by the state of his residence; provided that such state allows a similar exclusion of compensation received by residents of Minnesota for services performed therein, or

(b) Whenever a nonresident taxpayer has become liable for income taxes to the state where he resides upon his net income for the taxable year derived from the performance of personal or professional services within this state and subject to taxation under this chapter, there shall be allowed as a credit against the amount of income tax payable by him under this chapter, such proportion of the tax so paid by him to the state where he resides as his gross income subject to taxation under this chapter bears to his entire gross income upon which the tax so paid to such other state was imposed; provided, that such credit shall be allowed only if the laws of such state grant a substantially similar credit to residents of this state subject to income tax under such laws, or

(c) If any taxpayer who is a resident of this state, or a domestic corporation or corporation commercially domiciled therein, has become liable for taxes on or measured by net

income to another state or a province or territory of Canada upon, if the taxpayer is an individual or a resident estate or resident trust, any income, or if it is a corporation, upon income derived from the performance of personal or professional services within such other state or province or territory of Canada and subject to taxation under this chapter he or it shall be entitled to a credit against the amount of taxes payable under this chapter, of such proportion thereof, as such gross income subject to taxation in such state or province or territory of Canada bears to his entire gross income subject to taxation under this chapter; provided (1) that such credit shall in no event exceed the amount of tax so paid to such other state or province or territory of Canada on the gross income earned within such other state or province or territory of Canada and subject to taxation under this chapter, and (2) that such credit shall not be allowed if such other state or province or territory of Canada allows residents of this state a credit against the taxes imposed by such state or province or territory of Canada for taxes payable under this chapter substantially similar to the credit provided for by paragraph (b) of this section, and (3) the allowance of such credit shall not operate to reduce the taxes payable under this chapter to an amount less than would have been payable if the gross income earned in such other state or province or territory of Canada had been excluded in computing net income under this chapter.

(d) The commissioner shall by regulation determine with respect to gross income earned in any other state the applicable clause of this section. When it is deemed to be in the best interests of the people of this state, the commissioner may determine that the provisions of clause (a) shall not apply.

(e) "Tax So Paid" as used in this section means taxes on or measured by net income payable to another state or province or territory of Canada on income earned within the taxable year for which the credit is claimed, provided that such tax is actually paid in that taxable year, or subsequent taxable years.

(f) For the purposes of clause (a), whenever the Wisconsin tax on Minnesota residents which would have been paid Wisconsin without clause (a) exceeds the Minnesota tax on Wisconsin residents which would have been paid Minnesota without clause (a), or vice versa, then the state with the net revenue loss resulting from clause (a) shall receive from the other state the amount of such loss. This provision shall be effective for all years beginning after December 31, 1972. The data used for computing the loss to either state shall be determined on or before September 30 of the year following the close of the previous calendar year.

Interest shall be payable on all delinquent balances relating to taxable years beginning after December 31, 1977. The commissioner of revenue is authorized to enter into agreements with the state of Wisconsin specifying the reciprocity payment due

date, conditions constituting delinquency, interest rates, and a method for computing interest due on any delinquent amounts.

If an agreement cannot be reached as to the amount of the loss, the commissioner of revenue and the taxing official of the state of Wisconsin shall each appoint a member of a board of arbitration and these members shall appoint the third member of the board. The board shall select one of its members as chairman. Such board may administer oaths, take testimony, subpoena witnesses, and require their attendance, require the production of books, papers and documents, and hold hearings at such places as are deemed necessary. The board shall then make a determination as to the amount to be paid the other state which determination shall be final and conclusive.

Notwithstanding the provisions of section 290.61, the commissioner may furnish copies of returns, reports, or other information to the taxing official of the state of Wisconsin, a member of the board of arbitration, or a consultant under joint contract with the states of Minnesota and Wisconsin for the purpose of making a determination as to the amount to be paid the other state under the provisions of this section. Prior to the release of any information under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota.

Sec. 10. Minnesota Statutes 1978, 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 an amount not to exceed the limits set out in section 210A.22, not subsequently reimbursed, which have been personally paid by a candidate for public office if the candidate has complied with the expenditure limitations set out in section 210A.22:

(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) 1979, shall be applicable in determining the availability of any deduction under this subdivision.

(f) *Entertainment, amusement, or recreation expenses shall be allowed under this subdivision only to the extent that they qualify as a deduction under section 274 of the Internal Revenue Code of 1954, as amended through December 31, 1979.*

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 290.-067, Subdivision 1, is amended to read:

290.067 [DEPENDENT CARE CREDIT.] Subdivision 1. [AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from him and his spouse, if any, under this chapter an amount equal to (50 PERCENT OF) the dependent care credit for which he is eligible pursuant to the provisions of section 44A of the Internal Revenue Code of 1954, as amended through December 31, (1978) 1979, subject to the limitations provided in subdivision 2.

Sec. 12. Minnesota Statutes 1978, Section 290.067, Subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS.] The credit for expenses incurred for the care of each dependent shall not exceed (\$150) \$400 in any taxable year, and the total credit for all dependents of a claimant shall not exceed (\$300) \$800 in a taxable year. The total credit shall be reduced by five percent of the amount by which the combined federal adjusted gross income of the claimant and his spouse, if any, exceeds (\$12,000) \$15,000. 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 a married claimant only one spouse may claim the credit. No expense for which a medical expense deduction is claimed pursuant to section 290.09, subdivision 10, shall be claimed as a dependent care expense.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 290.09, Subdivision 3, is amended to read:

Subd. 3. [INTEREST.] (a) All interest paid or accrued within the taxable year on indebtedness, except as hereinafter provided.

(b) Interest paid or accrued within the taxable year on indebtedness incurred or continued to purchase or carry obligations or securities the income from which is excludable from gross income under section 290.08, or shares of a regulated investment company which during the taxable year of the holder thereof distributes Minnesota exempt-interest dividends as defined in section 2, or on indebtedness incurred or continued in connection with the purchasing or carrying of a single premium life insurance, annuity, or endowment contract, shall not be allowed as deduction. (For purposes of this paragraph, a contract shall be treated as a single premium contract if substantially all the premiums on the contract are paid within a period of four years from the date on which the contract is purchased, or if an amount is deposited after January 1, 1955 with the insurer for payment of a substantial number of future premiums on the contract.)

(c) If personal property or educational services are purchased under a contract which provides that payment of part or all of the purchase price is to be made in installments, and in which carrying charges are separately stated but the interest charge cannot be ascertained, then the payments made during the taxable year under the contract shall be treated for purposes of this paragraph as if they included interest equal to six percent of the average unpaid balance under the contract during the taxable year, and such interest shall be allowed as a deduction. For purposes of the preceding sentence, the average unpaid balance is the sum of the unpaid balance outstanding on the first day of each month beginning during the taxable year, divided by 12. In the case of any contract to which this paragraph applies, the amount treated as interest for any taxable year shall not exceed

the aggregate carrying charges which are properly attributable to such taxable year.

For purposes of this subdivision the term "educational services" means any service including lodging which is purchased from an educational institution (as defined in section 151(e) (4) of the Internal Revenue Code of 1954, as amended through December 31, 1976) and which is provided for a student of such institution.

(d) A cash basis taxpayer may elect to deduct interest as it accrues on a reverse mortgage loan as defined in section 47.58, subdivision 1, rather than when it is actually paid. This election must be made, if at all, in the first taxable year in which it is available to the cash basis taxpayer and, if made, shall be binding on the taxpayer for each subsequent taxable year until maturity of the loan.

Sec. 14. Minnesota Statutes 1978, Section 290.09, Subdivision 28, is amended to read:

Subd. 28. [REAL ESTATE INVESTMENT TRUSTS; DEDUCTIBLE DIVIDENDS.] A "real estate investment trust," as defined in section 856 of the Internal Revenue Code of 1954, as amended through December 31, (1976) 1979, and to which sections 856 to (858) 860 of the Code apply for the taxable year, may deduct its dividends paid to the extent permitted by section (857(B) (2) (C)) 857(b) (2) (B) of the Code (, AND ITS CAPITAL GAINS DIVIDENDS PAID AS DEFINED AND LIMITED BY SECTION 857(B) (3) (C) OF THE CODE). Such a trust and its shareholders and beneficiaries shall be subject to all of the provisions of sections 857 and 858 of the Code which are applicable under this chapter, in determining their respective taxable net incomes, provided that the (EXCESS) amount determined and (SUBJECTED TO) *available for the alternative* tax under section 857(b) (3) (A) (ii) of the Code shall be included in gross income subject to the deduction provided by section 290.16, subdivision 4.

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 290.091, is amended to read:

290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]
(a) In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, estate or trust, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections (56) 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, (1976) 1979 except that for purposes of the tax imposed by this section, excess itemized deductions as defined in section 57(b) shall not include any deduction taken for Minne-

sota income tax paid and capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain proceedings were received in prior years. *In the case of a taxpayer other than a corporation, an amount equal to one-half of the net capital gain for the taxable year shall be used as the definition of capital gain in place of the deduction determined under section 1202 of the Internal Revenue Code.* In the case of a resident individual, estate or trust having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17, subdivision 1, to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.

(b) In the case of a resident individual, estate or trust having preference items in taxable years beginning after December 31, 1976, and before January 1, 1978, which are not allocable to Minnesota under the provisions of sections 290.17 to 290.20 in effect for such years, the tax shall equal 40 percent of the taxpayer's federal minimum tax liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference items allocable to Minnesota under the provisions of sections 290.17 to 290.20 in effect for (SUCH) those years and the denominator of which is the taxpayer's total preference items for federal purposes.

((C) THE PREFERENCE ITEMS FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1978 SHALL NOT INCLUDE THE PORTION OF THE SALE OF RESIDENCE EXCLUDED UNDER SECTION 121 OF THE INTERNAL REVENUE CODE OF 1954 AS AMENDED THROUGH DECEMBER 31, 1978.)

Sec. 16. Minnesota Statutes, 1979 Supplement, Section 290.095, Subdivision 1, is amended to read:

290.095 [OPERATING LOSS DEDUCTION.] Subdivision 1. [ALLOWANCE OF DEDUCTION.] (a) There shall be allowed as a deduction for the taxable year the amount of any net operating loss deduction as defined in subdivision 2, clause (b); provided, however, that the modifications specified in subdivision 4 shall be made in computing the taxable net income for the taxable year before the net operating loss deduction shall be allowed.

(b) A net operating loss deduction shall be available under this section only to corporate taxpayers except as provided in subdivisions 6, 7 and 9 hereof, and, with respect to individuals, (ESTATES AND TRUSTS,) no deduction shall be allowed for or with respect to losses which constitute tax preference items as set forth in section 290.17, subdivision 1.

Sec. 17. Minnesota Statutes 1978, Section 290.095, is amended by adding a subdivision to read:

Subd. 10. [PRODUCT LIABILITY LOSS CARRYBACK.] In the case of a taxpayer which has a product liability loss, as defined in section 172(i) of the Internal Revenue Code of 1954 as amended through December 31, 1979, for a taxable year beginning after September 30, 1979 (referred to as "loss year"), the product liability loss shall be a net operating loss carryback to each of the 10 taxable years preceding the loss year.

Sec. 18. Minnesota Statutes 1978, Section 290.13, is amended by adding a subdivision to read:

Subd. 5a. [GAIN OR LOSS FROM SALE OR EXCHANGE TO EFFECTUATE POLICIES OF F.C.C.] If the sale or exchange of property, including stock in a corporation, is certified by the Federal Communications Commission to be necessary or appropriate to effectuate a change in a policy of, or the adoption of a new policy by the commission with respect to the ownership and control of radio broadcasting stations, the sale or exchange shall, if the taxpayer so elects, be treated as an involuntary conversion of the property within the meaning of subdivision 5. For purposes of this subdivision, "radio broadcasting" includes telecasting.

For purposes of subdivision 5 as made applicable by the provisions of this subdivision, stock of a corporation operating a radio broadcasting station located in Minnesota, whether or not representing control of the corporation, shall be treated as property similar or related in service or use to the property so converted. The part of the gain, if any, on the sale or exchange to which subdivision 5 is not applied shall nevertheless not be recognized, if the taxpayer so elects, to the extent that it is applied to reduce the basis for determining gain or loss on sale or exchange of property of a character subject to the allowance for depreciation under section 290.09, subdivision 7, remaining in the hands of the taxpayer immediately after the sale or exchange, or acquired in the same taxable year and with its situs in the state of Minnesota. The manner and amount of the reduction shall be determined under regulations prescribed by the commissioner. Any election made by the taxpayer under this subdivision shall be made by a statement to that effect in his return for the taxable year in which the sale or exchange takes place, and the election shall be binding for that taxable year and all subsequent taxable years.

The basis of property acquired on a sale or exchange treated as an involuntary conversion under this subdivision shall be determined pursuant to the provisions of subdivision 5.

Sec. 19. Minnesota Statutes, 1979 Supplement, Section 290.14, is amended to read:

290.14 [GAIN OR LOSS ON DISPOSITION OF PROPERTY, BASIS.] The basis for determining the gain or loss from the sale or other disposition of property acquired on or after January 1, 1983, shall be the cost to the taxpayer of such property, with the following exceptions:

(1) If the property should have been included in the last inventory, it shall be the last inventory value thereof;

(2) If the property was acquired by gift, it shall be the same as it would be if it were being sold or otherwise disposed of by the last preceding owner not acquiring it by gift; if the facts required for this determination cannot be ascertained, it shall be the fair market value as of the date, or approximate date, of acquisition by (SUCH) *the* last preceding owner, as nearly as the requisite facts can be ascertained by the commissioner;

(3) If the property was acquired by gift through an *inter vivos* transfer in trust, it shall be the same as it would be if it were being sold or otherwise disposed of by the grantor;

(4) Except as otherwise provided in this clause, the basis of property in the hands of a person acquiring the property from a decedent or to whom the property passed from a decedent shall, if not sold, exchanged or otherwise disposed of before the decedent's death by (SUCH) *the* person, be the fair market value of the property at the date of decedent's death.

For the purposes of the preceding paragraph, the following property shall be considered to have been acquired from or to have passed from the decedent:

(a) Property acquired by bequest, devise, or inheritance, or by the decedent's estate from the decedent;

(b) Property transferred by the decedent during his lifetime in trust to pay the income for life to or on the order or direction of the decedent, with the right reserved to the decedent at all times before his death to revoke the trust;

(c) Property transferred by the decedent during his lifetime in trust to pay the income for life to or on the order or direction of the decedent with the right reserved to the decedent at all times before his death to make any change in the enjoyment thereof through the exercise of a power to alter, amend, or terminate the trust;

(d) Property passing without full and adequate consideration under a general power of appointment exercised by the decedent by will;

(e) In the case of a decedent's dying after December 31, 1956, property acquired from the decedent by reason of death, form of ownership, or other conditions (including property acquired through the exercise or non-exercise of a power of appointment), if by reason thereof the property is required to be included in determining the value of the decedent's gross estate for Minnesota inheritance tax purposes. In (SUCH) *this* case, if the property is acquired before the death of the decedent, the basis shall be the amount determined under the first paragraph of this clause reduced by the amount allowed to the taxpayer as deductions in computing taxable net income under this chapter or prior Minnesota income tax laws for exhaustion, wear and tear, obsolescence, amortization, and depletion on (SUCH) *the* property before the death of the decedent. (SUCH) *The* basis shall be applicable to the property commencing on the death of the decedent. This paragraph shall not apply to annuities described in section 290.08; and property described in paragraphs (a), (b), (c) and (d) of this clause.

This clause shall not apply to property which constitutes a right to receive an item of income in respect of a decedent under section 290.077. Nor shall it apply to restricted stock options described in section 290.078 which the employee has not exercised at death.

(5) If the property was acquired after December 31, 1932, upon an exchange described in section 290.13, subdivision 1, the basis shall be the same as in the case of the property exchanged, decreased in the amount of any money received by the taxpayer and increased in the amount of gain or decreased in the amount of loss to the taxpayer that was recognized upon (SUCH) *the* exchange under the law applicable to the year in which the exchange was made. If the property so acquired consisted in part of the type of property permitted by section 290.13, subdivision 1, to be received without the recognition of gain or loss, and in part of other property, the basis provided in this clause shall be allocated between the properties, other than money, received, and for the purpose of the allocation there shall be assigned to (SUCH) *the* other property an amount equivalent to its fair market value at the date of the exchange. This clause shall not apply to property acquired by a corporation by the issuance of its stock or securities as the consideration, in whole or in part, for the transfer of the property to it;

(6) If substantially identical property was acquired in the place of stocks or securities which were sold or disposed of and in respect of which loss was not allowed as a deduction under section 290.09, subdivision 5, the basis in the case of property so acquired shall be the same as in the case of the stock or securities

so sold or disposed of, increased by the excess of the repurchase price of (SUCH) *the* property over the sale price of (SUCH) *the* stock or securities, or decreased by the excess of the sale price of (SUCH) *the* stock or securities over the repurchase price of (SUCH) *the* property;

(7) If the property was acquired after December 31, 1932, as the result of a compulsory or involuntary conversion described in section 290.13, subdivision 5, the basis shall be the same as in the case of the property so converted, decreased in the amount of any money received by the taxpayer which was not expended in accordance with the provisions of law applicable to the year in which (SUCH) conversion was made, determining the taxable status of the gain or loss upon (SUCH) conversion, and increased in the amount of gain or decreased in the amount of loss to the taxpayer recognized upon (SUCH) conversion under the law applicable to the year in which (SUCH) conversion was made.

(8) Neither the basis nor the adjusted basis of any portion of real property shall, in the case of a lessor of (SUCH) *the* property, be increased or diminished on account of income derived by the lessor in respect of (SUCH) *the* property and excludable from gross income under section 290.08, subdivision 14.

If an amount representing any part of the value of real property attributable to buildings erected or other improvements made by a lessee in respect of (SUCH) *the* property was included in gross income of the lessor for any taxable year beginning before January 1, 1943, the basis of each portion of (SUCH) *the* property shall be properly adjusted for the amount (SO) included in gross income.

(9) If the property was acquired by the taxpayer as a transfer of property in exchange for the release of the taxpayer's marital rights, the basis of the property shall be the same as it would be if it were being sold or otherwise disposed of by the person who transferred the property to the taxpayer.

(10) The basis of property subject to the provisions of section 1034 of the Internal Revenue Code of 1954, as amended through December 31, 1979 (relating to the rollover of gain on sale of principal residence) shall be the same as the basis for federal income tax purposes. The basis shall be increased by the amount of gain realized on the sale of a principal residence outside of Minnesota, while a nonresident of this state, which gain was not recognized because of the provisions of section 1034.

Sec. 20. Minnesota Statutes, 1979 Supplement, Section 290.17, Subdivision 1, is amended to read:

290.17 [GROSS INCOME, ALLOCATION TO STATE.]
Subdivision 1. [INCOME OF RESIDENT INDIVIDUALS,
ESTATES AND TRUSTS.] The gross income of individuals during the period of time when they are residents of Minnesota

(AND THE GROSS INCOME OF RESIDENT ESTATES AND TRUSTS) shall be their gross income as defined in section 290.01, subdivision 20, except that the amount of otherwise deductible losses incurred in connection with income derived from sources outside the state shall be reduced by the sum of the taxpayer's items of tax preference as defined in section 57 of the Internal Revenue Code of 1954, as amended through December 31, 1978, which are attributable to losses incurred in connection with sources of income outside the state.

Sec. 21. Minnesota Statutes 1978, Section 290.17, is amended by adding a subdivision to read:

Subd. 1a. [SUBSEQUENT ADJUSTMENT.] When a loss has been reduced by the amount of tax preference items pursuant to subdivision 1, and the taxpayer subsequently sells or otherwise disposes of an asset in relation to which arose an item of tax preference which caused the reduction of the loss, the taxpayer may increase the basis of the asset by the amount of the tax preference item that was used to reduce the loss. If the asset is a depletable asset, the taxpayer may elect to so increase its basis upon disposition or to reduce the amount of otherwise taxable income subsequently produced by that asset by the amount of the tax preference item.

Sec. 22. Minnesota Statutes 1978, Section 290.26, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Contributions of an employer to an employee's trust or annuity plan and compensation under a deferred-payment plan or to a simplified employee pension shall be allowed as a deduction in accordance with the provisions of (SECTION) Sections 404 or 408(k) of the Internal Revenue Code of 1954, as amended through December 31, (1976) 1979 as adapted to the provisions of this (ACT) chapter under (REGULATIONS) rules issued by the commissioner of revenue.

Sec. 23. Minnesota Statutes, 1979 Supplement, Section 290.37, Subdivision 1, is amended to read:

290.37 [FILING REQUIREMENTS FOR INDIVIDUALS.]
Subdivision 1. [PERSONS MAKING RETURNS.] The commissioner of revenue shall annually determine the gross income levels at which individuals and estates shall be required to file a return for each taxable year.

The trustee or other fiduciary of property held in trust shall file a return with respect to the taxable net income of such trust if that exceeds an amount on which a tax at the rates herein provided would exceed the specific credits allowed, or if the gross income of such trust exceeds \$750, if in either case such trust belongs to the class of taxable persons.

Every corporation shall file a return with respect to its taxable net income if in excess of \$500, or if its gross income exceeds \$5,000. The return in this case shall be signed by an officer of the corporation.

The receivers, trustees in bankruptcy, or assignees operating the business or property of a taxpayer shall file a return with respect to the taxable net income of such taxpayer if that exceeds an amount on which a tax at the rates herein provided would exceed the specific credits allowed (or, if the taxpayer is a corporation, if the taxable net income exceeds \$500), or if such taxpayer's gross income exceeds \$5,000.

Such return shall (a) be verified or contain a written declaration that it is made under the penalties of criminal liability for wilfully making a false return, and (b) shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.

For purposes of this subdivision the term "gross income" shall mean gross income as defined in section 61 of the Internal Revenue Code of 1954, as amended through December 31, 1976, modified and adjusted in accordance with the provisions of sections 290.01, subdivision 20, clauses (b) (6) and (b) (11), 290.08, and 290.17 (AND 290.65).

Sec. 24. Minnesota Statutes 1978, Chapter 290, is amended by adding a section to read:

[290.431] [NON-GAME WILDLIFE CHECKOFF.] *Effective with returns filed for taxable years beginning after December 31, 1979, every person who files an income tax return or property tax refund claim form may designate that \$1 or more shall be deducted from the refund that would otherwise be payable to that person and paid into a fund to be established for the management of non-game wildlife. The commissioner of revenue shall, on the first page of the income tax return and the property tax refund claim form, notify filers of their right to designate that a portion of their refund shall be paid into the non-game wildlife management fund. The sum of the amounts so designated to be paid shall be annually appropriated from the general fund to the commissioner of natural resources and credited to the non-game wildlife management fund for use by the non-game section of the division of wildlife in the department of natural resources.*

Sec. 25. Minnesota Statutes 1978, Section 290.49, Subdivision 10, is amended to read:

Subd. 10. [INCORRECT DETERMINATION OF FEDERAL ADJUSTED GROSS INCOME.] Notwithstanding any other provision of this chapter, if a taxpayer whose gross income is

determined under section 290.01, subdivision 20, omits from income such an amount as will under the Internal Revenue Code of 1954, as amended through December 31, 1976 extend the statute of limitations for the assessment of federal income taxes; or otherwise incorrectly determines his federal adjusted gross income resulting in adjustments by the Internal Revenue Service then the period of assessment and determination of tax shall be the same as that under the Internal Revenue Code of 1954, as amended through December 31, 1976. *When a change is made to federal income during the extended time provided under this subdivision, the provisions under section 290.56 regarding additional extensions apply.*

Sec. 26. Minnesota Statutes 1978, Section 290.971, Subdivision 1, is amended to read:

290.971 [ELECTION OF CERTAIN SMALL BUSINESS CORPORATIONS AS TO TAXABLE STATUS; DEFINITIONS.] Subdivision 1. [SMALL BUSINESS CORPORATION.] For purposes of this chapter, the term "small business corporation" means a domestic corporation of the United States which is not a member of an affiliated group (as defined in section 1504 of the Internal Revenue Code of 1954, as amended through December 31, (1976) 1979) and which does not

(1) have ((EXCEPT AS PROVIDED IN SUBDIVISION 5)) more than (TEN) 15 shareholders;

(2) have as a shareholder a person (other than an estate and other than a trust described in subdivision 6) who is not an individual;

(3) have a nonresident alien as a shareholder; and

(4) have more than one class of stock, and has elected under the provisions of section 1372(a) of the Internal Revenue Code of 1954, as amended through December 31, (1976) 1979 to be taxed as a small business corporation under the provisions of said Internal Revenue Code of 1954, as amended through December 31, (1976) 1979.

Sec. 27. Minnesota Statutes 1978, Section 290.971, Subdivision 3, is amended to read:

Subd. 3. [STOCK OWNED BY HUSBAND AND WIFE.] For purposes of subdivision 1(1) (STOCK WHICH)

((1) IS COMMUNITY PROPERTY OF A HUSBAND AND WIFE (OR THE INCOME FROM WHICH IS COMMUNITY INCOME) UNDER THE APPLICABLE COMMUNITY PROPERTY LAW OF A STATE, OR)

(2) IS HELD BY A HUSBAND AND WIFE AS JOINT TENANTS, TENANTS BY THE ENTIRETY, OR TENANTS IN COMMON, OR)

(3) WAS, ON THE DATE OF DEATH OF A SPOUSE, STOCK DESCRIBED IN PARAGRAPH (1) OR (2), AND IS, BY REASON OF SUCH DEATH, HELD BY THE ESTATE OF THE DECEASED SPOUSE AND THE SURVIVING SPOUSE, OR BY THE ESTATES OF BOTH SPOUSES (BY REASON OF THEIR DEATHS ON THE SAME DATE), IN THE SAME PROPORTION AS HELD BY THE SPOUSES BEFORE SUCH DEATH, OR)

(4) WAS, ON THE DATE OF THE DEATH OF A SURVIVING SPOUSE, STOCK DESCRIBED IN PARAGRAPH (3), AND IS, BY REASON OF SUCH DEATH, HELD BY THE ESTATES OF BOTH SPOUSES IN THE SAME PROPORTION AS HELD BY THE SPOUSES BEFORE THEIR DEATHS, SHALL BE TREATED AS OWNED BY ONE SHAREHOLDER) *a husband and wife (and their estates) shall be treated as one shareholder.*

Sec. 28. Minnesota Statutes 1978, Section 290.971, Subdivision 6, is amended to read:

Subd. 6. [CERTAIN TRUSTS PERMITTED AS SHAREHOLDERS.] For purposes of subdivision 1, the following trusts may be shareholders:

(1) (a) A trust all of which is treated as owned by the grantor (*who is an individual who is a citizen or resident of the United States*) under sections 671 to 679 of the Internal Revenue Code of 1954, as amended through December 31, (1976) 1979.

(b) *A trust which was described in subparagraph (a) immediately before the death of the grantor and which continues in existence after such death, but only for the 60-day period beginning on the day of the grantor's death. If a trust is described in the preceding sentence and if the entire corpus of the trust is includable in the gross estate of the grantor, the preceding sentence shall be applied by substituting "2-year period" for "60-day period."*

(2) A trust created primarily to exercise the voting power of stock transferred to it.

(3) Any trust with respect to stock transferred to it pursuant to the terms of a will, but only for the 60 day period beginning on the day on which (SUCH) the stock is transferred to it.

In the case of a trust described in paragraph (1), the grantor shall be treated as the shareholder.

In the case of a trust described in paragraph (2), each beneficiary of the trust shall, for the purposes of subdivision 1, paragraph (1), be treated as a shareholder.

Sec. 29. Minnesota Statutes 1978, Section 290.972, Subdivision 1, is amended to read:

290.972 [ELECTION BY SMALL BUSINESS CORPORATION.] Subdivision 1. [ELIGIBILITY.] Except as provided in subdivision 6 any small business corporation (SUBJECT TO THE LAWS IMPOSED BY THIS CHAPTER,) and its shareholders may, in accordance with the provisions of this section, elect to have (SAID) *the* corporation and its shareholders taxed as though (SAID) *the* corporation were a partnership. (SUCH) *The* election shall be valid only if all persons who are shareholders in (SUCH) *the* corporation on the day on which the election is made

((1) ON THE FIRST DAY OF THE FIRST TAXABLE YEAR FOR WHICH SUCH ELECTION IS EFFECTIVE, IF SUCH ELECTION IS MADE ON OR BEFORE SUCH FIRST DAY, OR)

((2) ON THE DAY ON WHICH THE ELECTION IS MADE, IF THE ELECTION IS MADE AFTER SUCH FIRST DAY,)

consent to (SUCH) *the* election.

Sec. 30. Minnesota Statutes 1978, Section 290.972, Subdivision 3, is amended to read:

Subd. 3. [WHERE AND HOW MADE.] (1) [IN GENERAL.] An election under subdivision 1 may be made by a small business corporation for any taxable year at any time during the (FIRST MONTH OF SUCH) *preceding* taxable year, or at any time during the (MONTH PRECEDING SUCH FIRST MONTH) *first 75 days of the taxable year.* (SUCH) *The* election shall be made in (SUCH) *a* manner as the commissioner shall prescribe by (REGULATION) *rule.*

(2) [TREATMENT OF CERTAIN LATE ELECTIONS.]
If

(a) *a small business corporation makes an election under subdivision 1 for any taxable year, and*

(b) *such election is made after the first 75 days of the taxable year and on or before the last day of such taxable year, then such election shall be treated as made for the following taxable year.*

In the case of a trust described in paragraph (2), each beneficiary of the trust shall, for the purposes of subdivision 1, paragraph (1), be treated as a shareholder.

Sec. 29. Minnesota Statutes 1978, Section 290.972, Subdivision 1, is amended to read:

290.972 [ELECTION BY SMALL BUSINESS CORPORATION.] Subdivision 1. [ELIGIBILITY.] Except as provided in subdivision 6 any small business corporation (SUBJECT TO THE LAWS IMPOSED BY THIS CHAPTER,) and its shareholders may, in accordance with the provisions of this section, elect to have (SAID) *the* corporation and its shareholders taxed as though (SAID) *the* corporation were a partnership. (SUCH) *The* election shall be valid only if all persons who are shareholders in (SUCH) *the* corporation on the day on which the election is made

((1) ON THE FIRST DAY OF THE FIRST TAXABLE YEAR FOR WHICH SUCH ELECTION IS EFFECTIVE, IF SUCH ELECTION IS MADE ON OR BEFORE SUCH FIRST DAY; OR)

((2) ON THE DAY ON WHICH THE ELECTION IS MADE, IF THE ELECTION IS MADE AFTER SUCH FIRST DAY,)

consent to (SUCH) *the* election.

Sec. 30. Minnesota Statutes 1978, Section 290.972, Subdivision 3, is amended to read:

Subd. 3. [WHERE AND HOW MADE.] (1) [IN GENERAL.] An election under subdivision 1 may be made by a small business corporation for any taxable year at any time during the (FIRST MONTH OF SUCH) *preceding* taxable year, or at any time during the (MONTH PRECEDING SUCH FIRST MONTH) *first 75 days of the taxable year*. (SUCH) *The* election shall be made in (SUCH) *a* manner as the commissioner shall prescribe by (REGULATION) *rule*.

(2) [TREATMENT OF CERTAIN LATE ELECTIONS.]
If

(a) *a small business corporation makes an election under subdivision 1 for any taxable year, and*

(b) *such election is made after the first 75 days of the taxable year and on or before the last day of such taxable year, then such election shall be treated as made for the following taxable year.*

(3) In case of sickness, absence, or other disability, or when in the judgment of the commissioner good cause exists, he may upon application extend the time for making the election under subdivision 1 for not more than twelve months following the close of the taxable year for which the election is sought (; PROVIDED, HOWEVER, THAT AN APPLICATION FOR AN EXTENSION OF TIME WITH RESPECT TO TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1960 AND PRIOR TO DECEMBER 31, 1963 MAY BE FILED NOT LATER THAN DECEMBER 31, 1965).

Sec. 31. Minnesota Statutes 1978, Section 290.972, Subdivision 5, is amended to read:

Subd. 5. [TERMINATION.] (1) [NEW SHAREHOLDERS.] (A) An election under subdivision 1 made by a small business corporation shall terminate if any person who was not a shareholder in (SUCH) *the* corporation

((I) ON THE FIRST DAY OF THE FIRST TAXABLE YEAR OF THE CORPORATION FOR WHICH THE ELECTION IS EFFECTIVE, IF SUCH ELECTION IS MADE ON OR BEFORE SUCH FIRST DAY, OR)

((II) on the day on which the election is made (, IF SUCH ELECTION IS MADE AFTER SUCH FIRST DAY),

becomes a shareholder in (SUCH) *the* corporation and affirmatively refuses to consent to (SUCH) *the* election on or before the 60th day after the day on which he acquires the stock.

(B) If the person acquiring the stock is the estate of a decedent, the period under subparagraph (A) for affirmatively refusing to consent to the election shall expire on the 60th day after whichever of the following is the earlier:

(i) The day on which the executor or administrator of the estate qualifies; or

(ii) The last day of the taxable year of the corporation in which the decedent died.

(C) Any termination of an election under subparagraph (A) by reason of the affirmative refusal of any person to consent to (SUCH) *the* election shall be effective for the taxable year of the corporation in which (SUCH) *the* person becomes a shareholder in the corporation (AND FOR ALL SUCCEEDING TAXABLE YEARS OF THE CORPORATION) *or, if later, the first taxable year for which the election would otherwise have been effective, and for all succeeding taxable years of the corporation.*

(2) [REVOCATION.] An election under subdivision 1 made by a small business corporation may be revoked by it for any

taxable year of the corporation after the first taxable year for which the election is effective. An election may be revoked only if all persons who are shareholders in the corporation on the day on which the revocation is made consent to the revocation. A revocation under this paragraph shall be effective

(A) for the taxable year in which made, if made before the close of the first month of (SUCH) *the* taxable year,

(B) for the taxable year following the taxable year in which made, if made after the close of (SUCH) *the* first month,

and for all succeeding taxable years of the corporation. (SUCH) *The* revocation shall be made in (SUCH) *a* manner as the commissioner shall prescribe by (REGULATION) *rule*.

(3) [CEASES TO BE SMALL BUSINESS CORPORATION.] An election under subdivision 1 made by a small business corporation shall terminate if at any time

(A) after the first day of the first taxable year of the corporation for which the election is effective, if such election is made on or before such first day, or

(B) after the day on which the election is made, if such election is made after such first day,

the corporation ceases to be a small business corporation (as defined in section 290.971, subdivision 1). Such termination shall be effective for the taxable year of the corporation in which the corporation ceases to be a small business corporation and for all succeeding taxable years of the corporation.

(4) [FOREIGN INCOME.] An election under subdivision 1 made by a small business corporation shall terminate if for any taxable year of the corporation for which the election is in effect, such corporation derives more than 80 percent of its gross receipts from sources outside the United States. Such termination shall be effective for the taxable year of the corporation in which it derives more than 80 percent of its gross receipts from sources outside the United States, and for all succeeding taxable years of the corporation.

(5) [PASSIVE INVESTMENT INCOME.] (A) Except as provided in subparagraph (B), an election under subdivision 1 made by a small business corporation shall terminate if, for any taxable year of the corporation for which the election is in effect, such corporation has gross receipts more than 20 percent of which is passive investment income. Such termination shall be effective for the taxable year of the corporation in which it has gross receipts of such amount, and for all succeeding taxable years of the corporation.

(B) Subparagraph (A) shall not apply with respect to a taxable year in which a small business corporation has gross receipts more than 20 percent of which is passive investment income, if

(i) such taxable year is the first taxable year in which the corporation commenced the active conduct of any trade or business or the next succeeding taxable year; and

(ii) the amount of passive investment income for such taxable year is less than \$3,000.

(C) For purposes of this paragraph, the term "passive investment income" means gross receipts derived from royalties, rents, dividends, interest, annuities, and sales or exchanges of stock or securities (gross receipts from such sales or exchanges being taken into account for purposes of this paragraph only to the extent of gains therefrom). Gross receipts derived from sales or exchanges of stock or securities for purposes of this paragraph shall not include amounts received by an electing small business corporation which are treated under section 331 of the Internal Revenue Code of 1954, as amended through December 31, (1976) 1979 (relating to corporate liquidations), as payments in exchange for stock where the electing small business corporation owned more than 50 percent of each class of the stock of the liquidating corporation.

Sec. 32. [DIRECTION TO REVISOR.] *In the next and subsequent editions of Minnesota Statutes the revisor of statutes shall substitute the words "Internal Revenue Code of 1954, as amended through December 31, 1979" for the words "Internal Revenue Code of 1954, as amended through December 31, 1976" or "Internal Revenue Code of 1954, as amended through December 31, 1977" or "Internal Revenue Code of 1954, as amended through December 31, 1978" wherever such words occur in chapter 290, except section 290.01, subdivision 20.*

Sec. 33. [REPEALER.] *Minnesota Statutes 1978, Section 290.971, Subdivision 5, and Minnesota Statutes, 1979 Supplement, Section 290.23, Subdivision 16 are repealed.*

Sec. 34. [EFFECTIVE DATE.] *Except as otherwise provided, section 1, clause (b)(13) is effective for taxable years beginning after December 31, 1976, and section 1, clauses (a)(12), (a)(17), (a)(18), (b)(6) (but only in regard to the changes relating to lump sum distributions), (b)(8), (b)(11), (b)(12), (b)(14), (b)(16), and (b)(17) are effective for taxable years beginning after December 31, 1978. For purposes of allowable carrybacks, section 1, clauses (b)(13) and (b)(14) are effective at the same time the carrybacks were allowable for federal income tax purposes. For taxable years beginning before January 1, 1980, section 1, clauses (b)(13) and (b)(14) are effective only if the taxpayer also applies the provision dis-*

allowing a portion of wages as required under section 280C of the Internal Revenue Code of 1954 for that taxable year. Section 7 is effective for expenditures made during taxable years beginning after December 31, 1978 and before January 1, 1983, except as otherwise specifically provided. Section 1, clause (b)(10) and section 8 are effective for interest received during taxable years beginning after December 31, 1977 on loans executed before January 1, 1982. Sections 11 and 12 are effective for taxable years beginning after December 31, 1980. Section 18 is effective for sales and exchanges occurring after December 31, 1975. Sections 16, 20, 22, 23 and 26 through 31, and 33 are effective for taxable years beginning after December 31, 1978. Section 25 is effective July 1, 1980.

The rest of this article is effective for taxable years beginning after December 31, 1979, except as otherwise provided.

ARTICLE II

PROPERTY TAX

Section 1. Minnesota Statutes 1978, Section 168.012, Subdivision 9, is amended to read:

Subd. 9. Mobile homes shall not be taxed as motor vehicles using the public streets and highways and shall be exempt from the motor vehicle tax provisions of this chapter. *Except as provided in section 273.13*, mobile homes shall be taxed as personal property. The provisions of Minnesota Statutes 1957, Section 272.02 or any other act providing for tax exemption shall be inapplicable to mobile homes, except such mobile homes as are held by a licensed dealer and exempted as inventory. House trailers not used on the highway during any calendar year shall be taxed as mobile homes if occupied as human dwelling places.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 256.82, is amended to read:

256.82 [PAYMENTS BY STATE.] Based upon estimates submitted by the county agency to the state agency, which shall state the estimated required expenditures for the succeeding month, upon the direction of the state agency payment shall be made monthly in advance by the state to the counties of all federal funds available for that purpose for such succeeding month, together with an amount of state funds equal to 70 percent of the difference between the total estimated cost and the federal funds so available for payments made after December 31, 1979 and before January 1, 1981, and (80) 85 percent of the difference for payments made after December 31, 1980. Adjustment of any overestimate or underestimate made by any county shall be made upon the direction of the state agency in any succeeding month.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 256D.03, Subdivision 2, is amended to read:

Subd. 2. After December 31, 1979, and before January 1, 1981, state aid shall be paid to local agencies for 60 percent and, after December 31, 1980, for (70) 75 percent of all general assistance grants up to the standards of section 256D.01, subdivision 1, according to procedures established by the commissioner. Any local agency may, from its own resources, make payments of general assistance at a standard higher than that established by the commissioner, without reference to the standards of section 256D.01, subdivision 1.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 256D.36, Subdivision 1, is amended to read:

256D.36 [1973 CATEGORICAL AID RECIPIENTS; PROVISIONS FOR SUPPLEMENTAL AID.] Subdivision 1. Commencing January 1, 1974, the commissioner shall certify to each local agency the names of all county residents who were eligible for and did receive aid during December, 1973 pursuant to a categorical aid program of old age assistance, aid to the blind, or aid to the disabled. From and after January 1, 1980, until January 1, 1981, the state shall pay 70 percent and the county shall pay 30 percent of the supplemental aid calculated for each county resident certified under this section who is an applicant for or recipient of supplemental security income. After December 31, 1980, the state shall pay (80) 85 percent and the county shall pay (20) 15 percent of the aid. The amount of supplemental aid for each individual eligible under this section shall be calculated pursuant to the formula prescribed in Title II, Section 212 (a) (3) of Public Law 93-66, as amended.

Sec. 5. Minnesota Statutes 1978, Section 272.01, Subdivision 2, is amended to read:

Subd. 2. (a) When any real or personal property which for any reason is exempt from ad valorem taxes, and taxes in lieu thereof, is leased, loaned, or otherwise made available and used by a private individual, association or corporation in connection with a business conducted for profit (; EXCEPT WHERE SUCH USE IS BY WAY OF A CONCESSION IN OR RELATIVE TO THE USE IN WHOLE OR PART OF A PUBLIC PARK, MARKET, FAIR GROUNDS, AIRPORT, PORT AUTHORITY, MUNICIPAL AUDITORIUM, MUNICIPAL MUSEUM OR MUNICIPAL STADIUM), there shall be imposed a tax, for the privilege of so using or possessing such real or personal property, in the same amount and to the same extent as though the lessee or user was the owner of such property.

(b) *The tax imposed by this subdivision shall not apply to (1) property leased or used by way of a concession in or relative to the use in whole or part of a public park, market, fair grounds, port authority, municipal auditorium, municipal museum or municipal stadium or (2) property constituting or used*

as a public pedestrian ramp, concourse, passenger check-in area or ticket sale counter, boarding area or luggage claim area in connection with a public airport.

(c) Taxes imposed by this subdivision shall be due and payable as in the case of personal property taxes and such taxes shall be assessed to such lessees or users of real or personal property in the same manner as taxes assessed to owners of real or personal property, except that such taxes shall not become a lien against the property. When due, (SUCH) *the* taxes shall constitute a debt due from the lessee or user to the state, township, city, county and school district for which the taxes were assessed and shall be collected in the same manner as personal property taxes. *If property subject to the tax imposed by this subdivision is released or used jointly by two or more persons, each lessee or user shall be jointly and severally liable for payment of the tax.*

Sec. 6. Minnesota Statutes, 1979 Supplement, 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, or section 273.13, subdivisions 17, 17b, 17c or 17d, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity *except property assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;*
- (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. Railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80 are not exempt.

(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, *other than real property used primarily as a solid waste disposal site.*

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. Any such equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting 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) Wetlands. For purposes of this subdivision, "wetlands" means land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes. "Wetlands" shall be land preserved in its natural condition, drainage of which would be lawful, feasible and practical and would provide land suitable for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

Sec. 7. Minnesota Statutes 1978, Section 273.13, Subdivision 3, is amended to read:

Subd. 3. [CLASS 2a; MOBILE HOMES; SECTIONAL STRUCTURES.] (a) *Except as provided in this subdivision* all mobile homes (, AS DEFINED IN SECTION 168.011, SUBDIVISION 8,) shall constitute class 2a and shall be valued and assessed at (40) 28 percent of the market value thereof. The valuation of class 2a property shall be subject to review and the taxes payable thereon in the manner provided in (LAWS 1975,

CHAPTER 376) section 274.19. For purposes of this section, a "mobile home" means a structure transportable in one or more sections, which is built on a permanent chassis, and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and contains the plumbing, heating, air-conditioning, and electrical systems therein, including any accessory structure which is an addition or supplement to the mobile home and, when installed, becomes a part of the mobile home.

(b) A mobile home which meets each of the following criteria shall be valued and assessed as an improvement to real property, the appropriate real property classification shall apply, and the valuation shall be subject to review and the taxes payable in the manner provided for real property:

(i) The owner of the unit holds title to the land upon which it is situated;

(ii) The unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the mobile homes building code contained in sections 327.31 to 327.34, and the rules adopted thereto, or is affixed to the land in a manner comparable to other real property in the taxing district; and

(iii) The unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(c) A mobile home which meets each of the following criteria shall be assessed at the rate provided by the appropriate real property classification but shall be classified as 2a property, and the valuation shall be subject to review and the taxes payable thereon in the manner provided in section 274.19:

(i) The owner of the unit is a lessee of the land pursuant to the terms of a lease;

(ii) The unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the mobile homes building code contained in sections 327.31 to 327.34, and the rules adopted thereto, or is affixed to the land in a manner comparable to other real property in the taxing district; and

(iii) The unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(d) Sectional structures shall be valued and assessed as an improvement to real property provided the owner of the structure holds title to the land upon which it is located or is a qualifying lessee of the land under the provisions of section 273.19. For purposes of this clause "sectional structure" means a building

or structural unit which has been in whole or substantial part manufactured or constructed at an off site location to be wholly or partially assembled on site alone or with other units and attached to a permanent foundation.

(e) The commissioner of revenue may promulgate rules pursuant to the administrative procedure act for the purpose of establishing additional criteria for the classification of mobile homes and sectional structures pursuant to the provisions of this subdivision.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 273.13, Subdivision 4, is amended to read:

Subd. 4. [CLASS 3.] (a) Tools, implements and machinery of an electric generating, transmission or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings, which are fixtures, all agricultural land, except as provided by classes 1, 3b, 3e, all buildings and structures assessed as personal property and situated upon land of the state of Minnesota or the United States government which is rural in character and devoted or adaptable to rural but not necessarily agricultural use shall constitute class 3 and shall be valued and assessed at $33\frac{1}{3}$ percent of the market value thereof, except as provided in clause (b). Except as provided in subdivision 5a, all real property devoted to temporary and seasonal residential occupancy for recreational purposes, and which is not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, shall be class 3 property and assessed accordingly. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for such use.

(b) For taxes assessed in (1979) 1980, payable in (1980) 1981 and thereafter, agricultural land (AND REAL PROPERTY DEVOTED TO TEMPORARY AND SEASONAL RESIDENTIAL OCCUPANCY FOR RECREATION PURPOSES) which is classified as class 3 shall be assessed at (25) 19 percent of its market value (, AND FOR TAXES ASSESSED IN 1980, PAYABLE IN 1981 AND THEREAFTER, IT SHALL BE ASSESSED AT 22 PERCENT OF ITS MARKET VALUE). *For taxes assessed in 1980, payable in 1981 and thereafter, real property devoted to temporary and seasonal residential occupancy for recreation purposes which is classified as class 3 shall be assessed at 21 percent of its market value.*

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 273.13, Subdivision 5a, is amended to read:

Subd. 5a. [CLASS 3A.] Class 3a shall constitute commercial use real property which abuts a lakeshore line and is de-

voted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, which includes a portion used as a homestead by the owner, with the following limitations: the area of the property which shall be included in class 3a shall not exceed 100 feet of lakeshore footage for each cabin or *campsite* located on the property, up to a total of 800 feet, and 500 feet in depth measured away from the lakeshore. Class 3a shall be assessed at 12 percent of the market value thereof in (1979) 1980, for taxes payable in (1980) 1981, and thereafter. The remainder of the parcel shall be classified and assessed according to the provisions of subdivision 4.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 273.13, Subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed (AT 12 PERCENT OF ITS MARKET VALUE IN 1979,) for taxes payable in (1980) 1981 and thereafter *as follows: the first \$50,000 of market value shall be valued and assessed at 14 percent; the remaining market value shall be valued and assessed at 19 percent.* The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to section 273.135 (, REGARDLESS OF WHETHER OR NOT THE MARKET VALUE IS IN EXCESS OF THE HOMESTEAD BASE VALUE,) shall be reduced by (50) 58 percent of the tax for taxes payable in (1980) 1981 (,) and (55 PERCENT) thereafter; provided that the amount of said reduction shall not exceed (\$550 FOR TAXES PAYABLE IN 1980, AND \$600 THEREAFTER) \$650. Valuation subject to relief shall be limited to 240 acres of land, most contiguous surrounding, bordering, or closest to the house occupied by the owner as his dwelling place, and such other structures as may be included thereon utilized by the owner in an agricultural pursuit, provided that noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. (IF THE MARKET VALUE IS IN EXCESS OF THE HOMESTEAD BASE VALUE, THE AMOUNT IN EXCESS OF THAT SUM SHALL BE VALUED AND ASSESSED AT 25 PERCENT OF ITS MARKET VALUE IN 1979, FOR TAXES PAYABLE IN 1980, AND AT 22 PERCENT THEREAFTER.) The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 273.132, shall mean contiguous acreage of ten acres or more, primarily used

during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

Effective for the 1981 assessment and in subsequent years, the assessor shall determine and list separately on his records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 273.13, Subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed (AT 18 PERCENT OF THE MARKET VALUE THEREOF IN 1979,) for taxes payable in (1980) 1981 and (AT 17 PERCENT) thereafter as follows: the first \$25,000 of market value shall be valued and assessed at 16 percent; the next \$25,000 of market value shall be valued and assessed at 22 percent; and the remaining market value shall be valued and assessed at 28 percent. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135 (, REGARDLESS OF WHETHER OR NOT THE MARKET VALUE IS IN EXCESS OF THE HOMESTEAD BASE VALUE,) shall be reduced by (50) 58 percent of the (AMOUNT OF SUCH) tax for taxes payable in (1980) 1981 (,) and (55 PERCENT) thereafter; provided that the amount of said reduction shall not exceed \$650 (\$550 FOR TAXES PAYABLE IN 1980, AND \$600 THEREAFTER. IF THE MARKET VALUE IS IN EXCESS OF THE SUM OF THE HOMESTEAD BASE VALUE, THE AMOUNT IN EXCESS OF THAT SUM SHALL BE VALUED AND ASSESSED AT 30 PERCENT OF MARKET VALUE IN 1979, FOR TAXES PAYABLE IN 1980 AND AT 28 PERCENT THEREAFTER). The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law. Class 3cc property shall include (ONLY) real estate (WHICH IS) or mobile homes used for the purposes of a homestead by (a) any blind person, if such blind person is the owner thereof or if such blind person and his or her spouse are the sole owners thereof; or (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the

laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair, and (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, *or the surviving spouse of such a deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead*; or (c) any person who: (1) is permanently and totally disabled and (2) is receiving (i) aid from any state as a result of that disability, or (ii) supplemental security income for the disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section 228b(a)5; which aid is at least 90 percent of the total income of such disabled person from all sources. Class 3cc property shall be valued and assessed (AT FIVE PERCENT OF THE MARKET VALUE THEREOF) *for taxes payable in 1981 and thereafter as follows: in the case of agricultural land, including a mobile home, used for a homestead, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and mobile homes, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 22 percent, and the remaining market value shall be valued and assessed at 28 percent.* Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135 (, REGARDLESS OF WHETHER OR NOT THE MARKET VALUE IS IN EXCESS OF THE HOMESTEAD BASE VALUE, FOR ALL PURPOSES) shall be reduced by (50) 58 percent of the (AMOUNT OF SUCH) tax for taxes payable in (1980,) 1981 and (55 PERCENT) thereafter; provided that the amount of said reduction shall not exceed \$650 (\$550 FOR TAXES PAYABLE IN 1980, AND \$600 THEREAFTER. IF THE MARKET VALUE IS IN EXCESS OF THE SUM OF \$28,000, THE AMOUNT IN EXCESS OF THAT SUM SHALL BE VALUED AND ASSESSED AT 25 PERCENT IN 1979 FOR TAXES PAYABLE IN 1980 AND 22 PERCENT THEREAFTER, IN THE CASE OF AGRICULTURAL LAND USED FOR A HOMESTEAD AND 30 PERCENT IN THE CASE OF ALL OTHER REAL ESTATE USED FOR A HOMESTEAD FOR TAXES PAYABLE IN 1980 AND 28 PERCENT FOR TAXES PAYABLE IN SUBSEQUENT YEARS).

Sec. 12. Minnesota Statutes 1978, Section 273.13, Subdivision 8a, is amended to read:

Subd. 8a. [CLASS 3E.] Real estate, rural in character, and used exclusively for the purpose of growing trees for timber, lumber, wood and wood products shall constitute class 3e, and shall be valued and assessed at (20) 19 percent of the market value thereof.

Sec. 13. Minnesota Statutes 1978, Section 273.13, Subdivision 9, is amended to read:

Subd. 9. [CLASS 4a AND 4b.] All property not included in the preceding classes shall constitute class (4) 4a and shall be valued and assessed at 43 percent of the market value thereof, *except that real property which is not improved with a structure and which is not utilized as part of a commercial or industrial activity shall constitute class 4b and shall be valued and assessed at 40 percent of market value.*

Sec. 14. Minnesota Statutes, 1979 Supplement, Section 273.13, Subdivision 14a, is amended to read:

Subd. 14a. [BUILDINGS AND APPURTENANCES ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes shall be reduced by (50) 58 percent of the amount of the tax in respect of said value as otherwise determined by law for taxes payable in (1980) 1981, and (55 PERCENT) thereafter, but not by more than (\$550 FOR TAXES PAYABLE IN 1980, AND \$600 THEREAFTER) \$650.

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 273.13, Subdivision 19, is amended to read:

Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to (40) 38 percent of market value. Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to (32) 28 percent of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

Residential real estate containing less than three units when entitled to homestead classification for one or more units shall be classed as 3b, 3c or 3cc according to the provisions of subdivisions 6 and 7.

Sec. 16. Minnesota Statutes 1978, Section 273.19, Subdivision 1, is amended to read:

273.19 [LESSEES AND EQUITABLE OWNERS.] Subdivision 1. Except as provided in subdivision 3, property held under a lease for a term of three or more years, and not taxable under section 272.01, subdivision 2, *clause (b)(1)*, or under a contract for the purchase thereof, when the property belongs to the United States, to the state, or to any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or to any railroad company or other corporation whose property is not taxed in the same manner as other property, or when the property is school or other state lands, shall be considered, for all purposes of taxation, as the property of the person so holding the same.

Sec. 17. Minnesota Statutes 1978, Section 275.11, Subdivision 2, is amended to read:

Subd. 2. In any city or statutory city, except those organized according to Chapter 8, Laws of 1895, (IN ADDITION TO) the (LEVY) *limitation* provided (FOR) in subdivision 1 (, AN ADDITIONAL LEVY MAY BE MADE FOR GENERAL FUND PURPOSES AS HEREIN PROVIDED) *shall be adjusted as follows:*

If the Revised Consumer Price Index, as published by the United States Department of Labor, Bureau of Labor Statistics, for the city of Minneapolis (or if no such index is published for the city of Minneapolis, for the nearest city to Minneapolis for which such index is published), as of December 15 of any year (or for the date nearest to December 15 if no such index is published as of December 15), shall be above 102 (using the average for the years 1947-1949 as a base), the maximum levy limit shall, subject to the restrictions of this subdivision, be increased by 3 1/3 percent for each of the first 6 points that said index may be increased and by one percent for each additional point increased above 6. A fractional point increase shall be disregarded if less than one-half point and treated as one point if one-half point, or more. In any city where more than 25 percent of the assessed valuation consists of iron ore and in any statutory city, the levy permitted by this paragraph shall be in addition to any statutory or charter limitations. In any other city, the levy authorized by this paragraph shall be made within charter limitations.

Sec. 18. Minnesota Statutes 1978, Section 275.28, Subdivision 3, is amended to read:

Subd. 3. [DESIGNATION OF YEAR OF TAX.] Beginning with property taxes payable in (1964) 1980, taxes on real and personal property shall (CONTINUE TO) be related to (THE YEAR IN WHICH ASSESSED BUT SHALL BE) and designated by the year in which they become payable but the liens shall relate back to the assessment date preceding except as otherwise provided (, AND FURTHER PROVIDED THAT SUCH DESIGNATION SHALL NOT BE DEEMED TO CHANGE THE DATE OR PERIOD TO WHICH SUCH PROPERTY TAXES RELATE).

Sec. 19. Minnesota Statutes, 1979 Supplement, Section 275.50, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1979 payable in 1980 and thereafter, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs to a governmental subdivision for their minimum required share of any program otherwise authorized by law, including the administrative costs of social services but not administrative costs of public assistance programs or of county welfare systems, for which matching funds have been appropriated by the state of Minnesota or the United States, but only to the extent that the costs to the governmental subdivision for the program exceed those expended in calendar year 1970,

subject to rules promulgated by the commissioner of revenue pursuant to the administrative procedures act. Amounts levied pursuant to this clause which are in excess of the amount necessary to meet the minimum required share of a program shall be deducted from the general levy made in the following year;

(d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law;

(e) pay the costs of principal and interest on bonded indebtedness, or, effective for taxes levied in 1973 and years thereafter, to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(f) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency;

(g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(i) pay the amounts required to compensate for a decrease in revenues from public service enterprises, municipal liquor stores, licenses, permits, fines and forfeits and no other, to the extent that the aggregate of revenues from these sources in the calendar year preceding the year of levy are less than the *inflation adjusted* aggregate of revenues from these sources in calendar year 1971. "Revenues" from a public service enterprise or a municipal liquor store shall mean the net income or loss of such public service enterprise or municipal liquor store, determined by subtracting total expenses from total revenues, and before any contribution to or from the governmental subdivision. "Fines" for a municipal court means the net amount remaining after subtracting total municipal court expenses from total collections of municipal court fines. *The "inflation adjusted aggregate of revenues in calendar year 1971" shall be the sum of (a) the aggregate of revenues received in calendar year 1971 multiplied by the total percentage increase in the consumer price index for the Minneapolis-St. Paul area from the calendar year 1971 to June of the levy year plus (b) the aggregate of revenues received in calendar year 1971. The commissioner of revenue shall calculate and notify the governmental subdivisions of the infla-*

tion adjustment by September of the levy year. A governmental subdivision shall qualify for this special levy only if the decrease in aggregate revenues as computed herein and divided by the population of the governmental subdivision in the preceding levy year is equal to or greater than two percent of the per capita levy limitation for the preceding levy year;

(j) pay the amounts required to compensate for a decrease in mobile homes property tax receipts to the extent that the governmental subdivision's portion of the total levy in the current levy year, pursuant to section 273.13, subdivision 3, as amended, is less than the distribution of the mobile homes tax to the governmental subdivision pursuant to section 273.13, subdivision 3, in calendar year 1971;

(k) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission in levy year 1971 or a subsequent levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(l) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(m) pay the increased cost of municipal services as the result of an annexation or consolidation ordered by the Minnesota municipal board in levy year 1971 or a subsequent levy year, but only to the extent and for the levy years as provided by the board in its order pursuant to section 414.01, subdivision 15. Special levies authorized by the board shall not exceed 50 percent of the levy limit base of the governmental subdivision and may not be in effect for more than three years after the board's order;

(n) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows. The governmental subdivision may calculate the aggregate of:

(1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and non-residential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and non-residential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

(o) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;

(p) pay amounts required by law to be paid to reduce unfunded accrued liability of public pension funds, including interest thereon, in accordance with the actuarial standards and guidelines specified in sections 69.71 to 69.776 and 356.215 reduced for levy year 1977 and subsequent years by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

(q) the amounts allowed under section 174.27 to establish and administer a commuter van program;

(r) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, Chapter 253, Section 3 (.);

(s) *compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered by the commissioner of revenue pursuant to section 270.16.*

Sec. 20. Minnesota Statutes 1978, Section 275.52, Subdivision 2, is amended to read:

Subd. 2. The levy limit base, as adjusted for previous increases pursuant to this section, may be increased each year by the governing body of the governmental subdivision affected thereby in the amount not to exceed, *in the case of a home rule charter or statutory city other than a city of the first class or a county not containing a city of the first class, eight percent, or in the case of any other governmental subdivision, six percent* of the previous year's levy limit base.

Sec. 21. Minnesota Statutes 1978, Section 275.52, Subdivision 5, is amended to read:

Subd. 5. For taxes levied in (1977) 1980 payable in (1978 OR FOR TAXES LEVIED IN 1978 PAYABLE IN 1979) 1981 *and subsequent years* a city other than a city of the first class, town, or county not containing a city of the first class which, in the preceding levy year, levied at least 98 percent of its total limited levy amount, may determine to levy in excess of the limitation provided in sections 275.50 to 275.56 by not to exceed 10 percent of its levy limit base by passing a resolution setting forth the amount by which the levy limit is proposed to be exceeded. The resolution shall be published for four successive weeks in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation therein, together with a notice fixing a date for a public hearing on the proposed increase which hearing shall be held not less than four weeks nor more than six weeks after the first publication of the resolution. Following the public hearing, the governing body may determine to take no further action, or in the alternative, adopt a resolution authorizing the levy as originally proposed, or adopt a resolution approving a levy in such lesser amount as it so determines. The resolution shall be published in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation therein. If within 30 days thereafter, a petition signed by voters equal in number to five percent of the votes cast in the governmental subdivision in the last general election or 2,000 voters, whichever is less, requesting a referendum on the proposed resolution is filed with the clerk or recorder of the governmental subdivision if the governmental subdivi-

sion is a city or town, or with the county auditor if the governmental subdivision is a county, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at any such referendum. A levy increased pursuant to this subdivision, whether not challenged or approved at a referendum held at a special or general election held prior to October 1 in any levy year, increases the allowable levy in that same levy year and provides a permanent adjustment to the levy limit base of the governmental subdivision for future levy years. There shall be no reduction in distributions of formula aids to the governmental subdivision as a result of the additional levy.

The excess levy authorized by this subdivision is a one-time levy adjustments to the levy limit base. If an adjustment was made after June 3, 1977, pursuant to this subdivision, in an amount less than ten percent of the base, calculated at the time of the adjustment, an additional adjustment to the current levy limit base is authorized in an amount equal to ten percent less the percent by which it was previously adjusted.

Sec. 22. *By February 15, 1981, each county assessor shall report to the commissioner of revenue on the range of average rental values of tillable agricultural land located in each township in the county and the estimated market values established in those townships in 1981.*

Sec. 23. *The 1979 adjusted assessed values determined under the provisions of section 124.212 shall be computed using the classification ratios which were in effect for taxes payable in 1980.*

Sec. 24. [REPEALER.] *Minnesota Statutes, 1979 Supplement, Section 273.122, is repealed.*

Sec. 25. [EFFECTIVE DATE.] *Sections 1 and 5 through 17, 19, 20 and 24 are effective for taxes levied in 1980 and subsequent years, payable in 1981 and subsequent years.*

ARTICLE III

PROPERTY TAX REFUND

Section 1. *Minnesota Statutes, 1979 Supplement, Section 290A.03, Subdivision 3, is amended to read:*

Subd. 3. [INCOME.] *"Income" means the sum of the following:*

(a) federal adjusted gross income as defined in the Internal Revenue Code of 1954 as amended through December 31, (1976) 1979; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) additions to federal adjusted gross income as provided in Minnesota Statutes, Section 290.01, Subdivision 20, Clause (a)(1), (a)(2), (a)(3), (a)((10)) (9), (a)(14), and (a)(15);

(ii) all nontaxable income;

(iii) recognized net long term capital gains;

(iv) dividends excluded from federal adjusted gross income under section 116 of the Internal Revenue Code of 1954;

(v) cash public assistance and relief;

(vi) any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, supplemental security income, and veterans disability pensions), which was not exclusively funded by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

(vii) nontaxable interest received from the state or federal government or any instrumentality or political subdivision thereof;

(viii) workers' compensation;

(ix) unemployment benefits;

(x) nontaxable strike benefits; and

(xi) the gross amounts of payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise. In the case of an individual who files an income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year. "Income" does not include

(a) amounts excluded pursuant to the Internal Revenue Code, Sections 101(a), 102, 117, and 121 (AS AMENDED THROUGH DECEMBER 31, 1978);

(b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;

(c) gifts from nongovernmental sources;

(d) surplus food or other relief in kind supplied by a governmental agency;

(e) relief granted under sections (273.012, SUBDIVISION 2 OR) 290A.01 to 290A.21; (OR)

(f) child support payments received under a temporary or final decree of dissolution or legal separation; or

(g) *federal adjusted gross income shall be reduced by wage or salary expense, or expense of work incentive programs which are not allowed as a deduction under provisions of section 280C of the Internal Revenue Code of 1954.*

Sec. 2. Minnesota Statutes 1978, Section 290A.04, is amended by adding a subdivision to read:

Subd. 2c. If the net property taxes payable on a homestead in 1981 increase more than ten percent over the net property taxes payable in 1980 on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 50 percent of the amount by which the increase exceeds ten percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed \$300.

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 273.13, subdivisions 6, 7 and 14a; and 273.115, subdivision 1; and Laws 1980, Chapter 432, Section 7; and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.

In addition to proofs required pursuant to chapter 290A, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

Sec. 3. Minnesota Statutes 1978, Section 290A.06, is amended to read:

290A.06 [FILING TIME LIMIT, LATE FILING.] Any claim for property taxes payable shall be filed with the department of revenue on or before August 31 of the year in which the

property taxes are due and payable. Any claim for rent constituting property taxes shall be filed with the department of revenue on or before August 31 of the year following the year in which the rent was paid. The commissioner may extend the time for filing these claims for a period not to exceed six months in the case of sickness, absence, or other disability, or when in his judgment other good cause exists.

A claim filed after the original or extended due date shall be allowed, but the amount of credit shall be reduced by five percent of the amount otherwise allowable, plus an additional five percent for each month of delinquency, not exceeding a total reduction of 25 percent which may be cancelled or reduced by the commissioner in the case of sickness, absence, or other disability, or when in his judgment other good cause exists. In any event no claim shall be allowed if the initial claim is filed two years after the original due date for filing the claim.

The time limit on redetermination of claims for refund and examination of records shall be governed by sections 290.49, 290.50, and 290.56.

Sec. 4. Minnesota Statutes 1978, Section 290A.11, is amended by adding a subdivision to read:

Subd. 1a. If the commissioner is notified pursuant to section 375.192, subdivision 1, that a reduction in assessed value was granted and the claimant's property taxes were decreased, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final unless appealed to the Minnesota tax court within 60 days of notice thereof.

Sec. 5. Minnesota Statutes 1978, Section 290A.17, is amended to read:

290A.17 [PUBLISHING OR RELEASING INFORMATION ON CLAIMS.] The provisions of section 290.61 relating to the confidential nature of income tax returns shall be applicable to claims filed pursuant to the provisions of chapter 290A. When it is necessary to adjust or audit a claim that is required to include or recognize the income of another person, or information furnished by that person, the commissioner is authorized to disclose the income and other information of all people involved, to each person involved, so that a proper claim may be allowed.

Nothing herein shall be construed to prohibit the commissioner from publishing or releasing the information concerning amounts of property tax accrued and the relief granted to taxpayers without including information which would identify individual taxpayers. The commissioner may examine income tax returns as he deems necessary and may utilize the information

in legal and administrative proceedings to insure proper administration of sections 290A.01 to 290A.21, notwithstanding section 290.61.

Sec. 6. Minnesota Statutes 1978, Section 290A.18, is amended to read:

290A.18 [RIGHT TO FILE CLAIM.] If a person entitled to relief under sections 290A.01 to (290A.21) 290A.23 dies prior to (FILING A CLAIM OR) receiving relief, the surviving spouse (OR), dependent or *personal representative* of the person shall be entitled to file the claim and receive relief. (IF THERE IS NO SURVIVING SPOUSE OR DEPENDENT, THE RIGHT TO THE CREDIT SHALL LAPSE.)

Sec. 7. Minnesota Statutes 1978, Section 290A.19, is amended to read:

290A.19 [OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE; PENALTY.] The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent paid to each person who is a renter on December 31, in the form prescribed by the commissioner. If the renter moves prior to December 31, the (OBLIGATION OF THE) owner or managing agent shall (BE TO) *at his option* either provide the certificate to the renter at the time he moves, (UPON THE RENTER'S REQUEST,) or (TO) mail the certificate to the forwarding address *if an address has been* provided by the renter. The certificate shall be made available to the renter not later than February 15 of the year following the year in which the rent was paid. Any owner or managing agent who willfully fails to furnish a certificate as provided herein shall be liable to the commissioner for a penalty of \$20 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax.

Sec. 8. Minnesota Statutes 1978, Section 375.192, Subdivision 1, is amended to read:

375.192 [REDUCTIONS IN ASSESSED VALUATION OF REAL PROPERTY.] Subdivision 1. Notwithstanding section 270.07, upon written application by the owner of the property, the county board of each county shall have power to grant such reduction, for the current year, of the assessed valuation of any real property in that county which erroneously has been classified, for tax purposes, as non-homestead property, as is necessary to give it the assessed valuation which it would have received if it had been classified correctly. The application shall be made on a form prescribed by the commissioner of revenue. It shall include *the social security number of the applicant and* a statement of facts of ownership and occupancy, and shall be sworn to by the owner of the property before an officer au-

thorized to take acknowledgments. Before it is acted upon by the county board, the application shall be referred to the county assessor, or if the property is located in a city of the first class having a city assessor, to such assessor, who shall investigate the facts and attach his report to such investigation to the application.

With respect to abatements relating to the current year's tax processed through June 30, the county auditor shall notify the commissioner of revenue on or before July 31 of that same year of all applications granted pursuant to this subdivision. Subsequently, with respect to abatements relating to the current year's tax processed after June 30 through the balance of the year, the county auditor shall notify the commissioner of revenue on or before the following January 31 of all such applications granted pursuant to this subdivision. The form submitted by the county auditor shall be prescribed by the commissioner of revenue and shall contain the information which the commissioner deems necessary.

Sec. 9. [EFFECTIVE DATE.] *Sections 1, 6 and 7 are effective for claims based on rent paid in 1979 and subsequent years and property taxes payable in 1980 and subsequent years. Section 3 is effective for claims based on rent paid in 1975 and subsequent years and property taxes payable in 1976 and subsequent years. Section 5 is effective the day after final enactment.*

ARTICLE IV

STATE REIMBURSEMENTS

Section 1. Minnesota Statutes 1978, Section 124.212, Subdivision 2, is amended to read:

Subd. 2. Except as may otherwise be provided in this section, the following words and phrases when used in this section shall have the meanings herein ascribed to them.

(1) "Adjusted maintenance costs" means the state and local current expense for pupils in elementary and secondary schools, exclusive of transportation, veterans training program, community services, and after reduction for receipts from the sale of authorized items sold to the individual pupil by the school such as lunches, items of personal use, or other items specifically authorized by law or under the procedures set forth in sections 120.71 to 120.76, and after reduction for receipts from quasi-school activities when the school board has assumed direction and control of same. For purposes of determining the adjusted maintenance costs, the state department of education shall use only figures from the annual financial reports of the districts for the prior year and any supplementary documents received by it on or before August 1 of the current year. For any district

which has not transmitted to the department of education before August 1, its annual financial report for the prior year, the figures from the most recent financial report of that district received on or before August 1, shall be used for purposes of calculating its certified levy and foundation aid.

(2) "Adjusted assessed valuation" shall mean the assessed valuation of the taxable property notwithstanding the provisions of section 275.49 of the school district as adjusted by the equalization aid review committee. *In determining adjusted assessed valuation, property which qualifies for the reimbursement specified in section 3, subdivision 1, shall be treated as if it were classified as 3b or 3c in the case of homestead property, or as 3d in the case of nonhomestead property.*

Sec. 2. *The 1979 adjusted assessed values for taxes payable in 1981 determined under the provisions of section 124.212 shall be adjusted so that property which qualifies for the reimbursement specified in section 3, subdivision 1, shall be treated as if it were classified as 3b or 3c in the case of homestead property, or as 3d in the case of nonhomestead property.*

Sec. 3. Minnesota Statutes 1978, Chapter 273, is amended by adding a section to read:

[273.139] [REIMBURSEMENT.] *Subdivision 1. (a) Each taxing jurisdiction shall receive reimbursement in 1981 and subsequent years for the difference between the tax determined pursuant to clause (b) and the tax actually payable by the owner of property which qualifies for the assessment categories described by section 273.13, subdivisions 17 and 17b, and on property that qualifies as class 3cc pursuant to section 273.13, subdivision 7.*

(b) *The county auditor shall calculate the tax on the property described in clause (a) in the same manner as the property would be assessed, if it were classified as 3b or 3c in the case of homestead property, or as 3d in the case of nonhomestead property.*

(c) *The difference between the amount calculated pursuant to clause (b) and the amount of tax actually payable by the owner on property described in clause (a) shall be certified by the county auditor and reported to the commissioner of revenue as part of the 1981 and subsequent years abstracts of tax lists required to be filed with the commissioner by section 275.29. The commissioner shall make payments on July 15 of 1981 and subsequent years to the taxing jurisdictions containing the property in the same proportion that the ad valorem tax was distributed.*

Subd. 2. *When computing mill rates pursuant to sections 275.08 and 275.09, the county auditor shall regard property described in subdivision 1, clause (a) as if it were valued as class*

3b or 3c in the case of homestead property, or class 3d in the case of nonhomestead property.

Sec. 4. Minnesota Statutes 1978, Section 273.13, Subdivision 17b, is amended to read:

Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.] Notwithstanding any other provision of law, any structure

(a) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration,

(b) located in a municipality of less than 10,000 population,

(c) financed by a direct loan or insured loan from the farmers home administration, and

(d) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at five percent of the (ADJUSTED) market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.

Sec. 5. Minnesota Statutes 1978, Section 275.51, is amended by adding a subdivision to read:

Subd. 5. [LEVY LIMITATION ADJUSTMENT.] For taxes payable in 1982 and subsequent years, the reduced assessment reimbursement pursuant to section 3, subdivision 1, shall be considered as part of the property tax levy subject to the limitation provided by sections 275.50 through 275.59.

Sec. 6. Minnesota Statutes 1978, Section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.] On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if

any, may be aggregated. The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than January 31; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. (THE STATEMENT SHALL ALSO INCLUDE THE BASE TAX AS DEFINED IN SECTION 273.011, SUBDIVISION 4, FOR QUALIFIED PROPERTY AS DEFINED IN SECTION 273.011 FOR WHICH THE CREDIT PROVIDED FOR IN SECTION 273.012 IS CLAIMED.) The statement shall show the amount attributable to section 273.132 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit". (THE COMMISSIONER OF REVENUE SHALL PROVIDE EACH COUNTY AUDITOR WITH THE NAMES OF THOSE PERSONS IN THE ASSESSOR'S DISTRICT WHO HAVE FILED AND QUALIFIED FOR THE PROPERTY TAX CREDIT PURSUANT TO SECTIONS 273.011 AND 273.012 AND SHALL INFORM THE ASSESSOR OF THE BASE TAX OF THOSE PERSONS.) *The statement shall show the reduction attributable to the aid given pursuant to section 3 and shall indicate that the reduction is paid by the state of Minnesota.* If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists.

Sec. 7. [APPROPRIATION.] *There is annually appropriated from the general fund to the commissioner of revenue an amount necessary to make the payments required by section 3.*

Sec. 8. *This article is effective the day following final enactment.*

ARTICLE V

SALES TAX

Section 1. Minnesota Statutes 1978, Section 297A.01, Subdivision 4, is amended to read:

Subd. 4. A "retail sale" or "sale at retail" means a sale for any purpose other than resale in the regular course of business. Property utilized by the owner only by leasing such property to others or by holding it in an effort to so lease it, and which is put to no use by the owner other than resale after such lease or ef-

fort to lease, shall be considered property purchased for resale. Sales of building materials, supplies and equipment to owners, contractors, subcontractors or builders for the erection of buildings or the alteration, repair or improvement of real property are "retail sales" or "sales at retail" in whatever quantity sold and whether or not for purpose of resale in the form of real property or otherwise. *Aircraft and parts for the repair thereof purchased by a non-profit, incorporated flying club or association utilized solely by the corporation by leasing such aircraft to shareholders of the corporation shall not be considered property purchased for resale. The leasing of the aircraft to the shareholders by the flying club or association shall not be considered a sale notwithstanding subdivision 3 of section 297A.01 if the tax imposed by this chapter was paid on the initial purchase as provided by this subdivision.*

Aircraft utilized by the owner only for the purpose of being leased to others, whether or not the lessee utilizes the aircraft for flight instruction or charter service, or by holding the aircraft in an effort to lease it, and which is put to no use by the owner other than resale after the lease, shall be considered aircraft purchased for resale.

Sec. 2. Minnesota Statutes, 1979 Supplement, 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 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, salemen's sample and display cases, purses, handbags, pocket-books, 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 297A.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 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 or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(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 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.

(x) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(y) *The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).*

(z) *The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:*

(i) *the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1978; and*

(ii) *the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.*

Sec. 3. Minnesota Statutes 1978, Section 297A.211, Subdivision 1, is amended to read:

297A.211 [COMMON CARRIERS AS RETAILERS.] Subdivision 1. Every person, as defined in this chapter, who is engaged in interstate for-hire transportation of tangible personal property or passengers by motor vehicle may at their option, under rules and regulations prescribed by the commissioner, register as retailers and pay the taxes imposed by this chapter in accordance with this section. Persons referred to herein are: (1) persons possessing a certificate or permit authorizing for-hire transportation of property or passengers from the interstate commerce commission or the Minnesota public service commission; or (2) persons transporting commodities defined as "exempt" in for-hire transportation in interstate commerce; or (3) persons who, pursuant to contracts with persons described in clauses (1) or (2) above, transport tangible personal property

in interstate commerce. Persons qualifying under clauses (2) and (3) must maintain on a current basis the same type of mileage records that are required by persons specified in clause (1) by the interstate commerce commission. *Persons who in the course of their business are transporting solely their own goods in interstate commerce may also register as retailers pursuant to rules prescribed by the commissioner and pay the taxes imposed by this chapter in accordance with this section.*

Sec. 4. [LOCAL ADMISSIONS AND AMUSEMENT TAXES; EXEMPTION FOR ARTS ORGANIZATIONS.] *No tax imposed by a local unit of government or imposed on sales taking place in a single named local unit of government on sales of admissions or amusements under a law enacted prior or subsequent to the enactment of this provision, other than a general sales tax law, shall apply to amounts charged for admission to the premises of or events sponsored by a nonprofit arts organization.*

Sec. 5. [EFFECTIVE DATE.] *The provisions of section 1 relating to purchases by flying clubs or associations is effective for sales after June 30, 1980. The provisions of section 1 relating to aircraft exclusively used for leasing are effective November 1, 1979. Section 2, clause (y) and section 4 are effective for tickets sold or admissions charged after July 31, 1980. Section 2, clause (z) is effective for sales made after June 30, 1980.*

ARTICLE VI

TAX INCREMENT FINANCING

Section 1. Minnesota Statutes, 1979 Supplement, Section 273.73, Subdivision 7, is amended to read:

Subd. 7. [ORIGINAL ASSESSED VALUE.] "Original assessed value" means the assessed value of all taxable real property within a tax increment financing district as most recently certified by the commissioner of revenue as of the date of the request by an authority for certification by the county auditor, together with subsequent adjustments as set forth in section 273.76, subdivisions 1 and 4; provided, however, that in determining the original assessed value the assessed value of real property exempt from taxation at the time of the request shall be zero except for real property which is tax exempt by reason of public ownership by the requesting authority and which has been publicly owned for less than one year prior to the date of the request for certification, in which event the assessed value of the property shall be the assessed value as most recently determined by the commissioner of revenue. For purposes of this subdivision, "real property" shall include any property normally taxable as personal property by reason of its location on or over *publicly-owned* property (OWNED BY A TAX EXEMPT ENTITY).

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 273.73, Subdivision 8, is amended to read:

Subd. 8. [PROJECT.] "Project" means a project as defined in section 362A.01; an industrial development district as defined in section 458.191, subdivision 1; a (REDEVELOPMENT) project as defined in section 462.421, subdivision 14; a development district as defined in (SECTION 472A.02, SUBDIVISION 3) *chapter 472A* or any special law; or a project as defined in section 474.02, subdivisions 1, 1a or 1b.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 273.73, Subdivision 10, is amended to read:

Subd. 10. [REDEVELOPMENT DISTRICT.] (a) "Redevelopment (PROJECT) *district*" means a *type of tax increment financing district consisting of a project, or portions of a project, within which the authority finds by resolution that one of the following conditions, reasonably distributed throughout the (PROJECT) district, exists:*

(1) The land is predominantly occupied by buildings, streets, utilities or other improvements and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance; or

(2) The land is predominantly occupied by buildings, streets, utilities or other improvements and 20 percent of the buildings are structurally substandard and an additional 30 percent of the buildings are found to require substantial renovation or 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

(3) The land is not predominantly occupied by buildings, streets, utilities or other improvements, but at least 80 percent of the total acreage of such land has a fair market value upon inclusion in the (PROJECT) *redevelopment district* which, when added to the estimated cost of preparing the land for use, including utilities, if any, exceeds its anticipated fair market value after completion of said preparation; or

(4) The property consists of underutilized air rights existing over a public street, highway or right-of-way.

(b) For purposes of this subdivision, "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 substantial renovation or clearance. "Predominantly occupied" shall mean at least 50 percent of the parcels comprising at least 50 percent of the acreage.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 273.73, Subdivision 11, is amended to read:

Subd. 11. [HOUSING DISTRICT.] "Housing (PROJECT) *district*" means a type of tax increment financing district which consists of a project, or (THAT PART OF) a portion of a project, intended for occupancy, in part, by persons or families of low and moderate income, as defined in chapter 462A, Title II of the National Housing Act of 1934, the National Housing Act of 1959, the United States Housing Act of 1937, as amended, Title V of the Housing Act of 1949, as amended, any other similar present or future federal, state, or municipal legislation, or the regulations promulgated under any of those acts.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 273.73, Subdivision 12, is amended to read:

Subd. 12. [ECONOMIC DEVELOPMENT DISTRICT.] "Economic development (PROJECT) *district*" means a type of tax increment financing district which consists of any project, or portions of a project, not meeting the requirements found in the definition of redevelopment (PROJECT) *district* or housing (PROJECT) *district*, but which the authority finds to be in the public interest because:

- (a) It will discourage commerce, industry or manufacturing from moving their operations to another state; or
- (b) It will result in increased employment in the municipality; or
- (c) It will result in preservation and enhancement of the tax base of the municipality.

Sec. 6. Minnesota Statutes, 1979 Supplement, Section 273.74, Subdivision 3, is amended to read:

Subd. 3. [MUNICIPALITY APPROVAL.] No county auditor shall certify the original assessed value of a tax increment financing district until the tax increment financing plan proposed for that district has been approved by the municipality in which the (PROJECT) *district* is located. If an authority which proposes to establish a tax increment financing district and the municipality are not the same, the authority shall apply to the municipality in which the district is proposed to be located and shall obtain the approval of its tax increment financing plan by the municipality before the authority may use tax increment financing. The municipality shall approve the tax increment financing plan only after a public hearing thereon after published notice 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 the hearing. This hearing may be held before or after the approval or creation of the project or it may be held in conjunction with a hearing to approve the project. Before or at the time of approval of the tax increment financing plan, the municipality shall make the following findings:

(a) That the (PROJECT COMPRISING THE) proposed tax increment financing district is a redevelopment (PROJECT) *district*, a housing (PROJECT) *district* or an economic development (PROJECT) *district* and the specific bases for such determination.

(b) That the proposed development or redevelopment, in the opinion of the municipality, would not occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

(c) That the tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole.

(d) That the tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development or redevelopment of the district by private enterprise.

(e) That the municipality elects the method of tax increment computation set forth in section 273.76, subdivision 3, clause (b), if applicable.

When the municipality and the authority are not the same, the municipality shall approve or disapprove the tax increment financing plan within 60 days of submission by the authority, or the plan shall be deemed approved. When the municipality and the authority are not the same, the municipality may not amend or modify a tax increment financing plan except as proposed by the authority pursuant to subdivision 4. Once approved, the determination of the authority to undertake the project through the use of tax increment financing and the resolution of the governing body shall be conclusive of the findings therein and of the public need for such financing.

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 273.75, Subdivision 1, is amended to read:

273.75 [LIMITATIONS.] Subdivision 1. [DURATION OF TAX INCREMENT FINANCING DISTRICTS.] Subject to the limitations contained elsewhere in this subdivision any tax increment financing district as to which bonds are outstanding, payment for which the tax increment and other revenues have been pledged, shall remain in existence at least as long as any

such bonds continue to be outstanding; provided, however, the tax increment pledged to the payment of bonds and interest thereon may be discharged and the tax increment financing 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 section 273.77, clauses (a) and (b) the full faith and credit and any taxing powers of the municipality or authority 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; provided, further, that no tax increment shall be paid to an authority for a tax increment financing district after three years from the date of certification of the original assessed value of the taxable real property in the district by the county auditor or three years from August 1, 1979, for tax increment financing districts authorized prior to August 1, 1979, unless within the three year period (a) bonds have been issued pursuant to section 273.77, or in aid of a project pursuant to any other law, except revenue bonds issued pursuant to chapter 474, prior to August 1, 1979, or (b) the authority has acquired property within the district, or (c) the authority has constructed or caused to be constructed public improvements within the district; and provided, further, that no tax increment shall in any event be paid to the authority from a redevelopment (PROJECT) *district* after 25 years from date of receipt by the authority of the first tax increment, after 25 years from the date of the receipt for a housing (PROJECT) *district* and after eight years from the date of the receipt, or 10 years from approval of the tax increment financing plan, whichever is less, for an economic development (PROJECT) *district*.

For tax increment financing districts created prior to August 1, 1979, no tax increment shall be paid to the authority after 30 years from August 1, 1979.

Modification of a tax increment financing plan pursuant to section 273.74, subdivision 4, shall not extend the durational limitations of this subdivision.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 273.75, Subdivision 2, is amended to read:

Subd. 2. [EXCESS TAX INCREMENTS.] In any year in which the tax increment exceeds 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 (a) prepay any outstanding bonds, (b) discharge the pledge of tax increment therefor, (c) pay into an escrow account dedicated to the payment of such bond, or shall return the excess amount to the *county auditor who shall distribute the*

excess amount to the municipality, county and school district in which the tax increment financing district is located in direct proportion to their respective mill rates.

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 273.75, Subdivision 5, is amended to read:

Subd. 5. [REQUIREMENT FOR AGREEMENTS.] No more than 25 percent, by acreage, of the property to be acquired within a redevelopment (PROJECT) *district*, or ten percent, by acreage, of the property to be acquired within a housing or economic development (PROJECT) *district*, as set forth in the tax increment financing plan, shall at any time be owned by an authority as a result of acquisition with the proceeds of bonds issued pursuant to section 273.77 without the authority having prior to acquisition in excess of the percentages concluded an agreement for the development or redevelopment of the property acquired and which provides recourse for the authority should the development or redevelopment not be completed.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 273.-75, Subdivision 6, is amended to read:

Subd. 6. [LIMITATION ON INCREMENT.] If, after five years from the date of certification of the original assessed value of the tax increment financing district pursuant to section 273.-76, no demolition, rehabilitation or renovation of property or other site preparation, including improvement of a street adjacent to a (PROPERTY) *parcel* but not installation of utility service, has been commenced on a (PROPERTY) *parcel* located within a tax increment financing district by the authority or by the owner of the (PROPERTY) *parcel* in accordance with the tax increment financing plan, no additional tax increment may be taken from that (PROPERTY) *parcel*, and the original assessed value of that (PROPERTY) *parcel* shall be excluded from the original assessed value of the tax increment financing district. If the authority or the owner of the (PROPERTY) *parcel* subsequently commences demolition, rehabilitation or renovation or other site preparation on that (PROPERTY) *parcel* including improvement of a street adjacent to that (PROPERTY) *parcel*, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced, and (THE PROPERTY MAY BE ADDED INTO THE TAX INCREMENT FINANCING DISTRICT.) the county auditor shall certify the (MOST RECENTLY ASSESSED VALUE OF THAT PROPERTY) *assessed value thereof as most recently certified by the commissioner of revenue* and add it to the original assessed value of the tax increment financing district. *For purposes of this subdivision "parcel" means a tract or plat of land established as a single unit for purposes of assessment.*

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 273.76, Subdivision 1, is amended to read:

273.76 [COMPUTATION OF TAX INCREMENT.] Subdivision 1. [ORIGINAL ASSESSED VALUE.] Upon or after adoption of a tax increment financing plan, the auditor of any county in which the district is situated shall, upon request of the authority, certify the original assessed value of the tax increment financing district as described in the tax increment financing plan and shall certify in each year thereafter the amount by which the original assessed value has increased or decreased as a result of a change in tax exempt status of property within the district, reduction or enlargement of the district or changes pursuant to subdivision 4. The amount to be added to the original assessed value of the district as a result of previously tax exempt real property within the district becoming taxable shall be equal to the assessed value of the real property as most recently assessed pursuant to section 273.18 or, if that assessment was made more than one year prior to the date of title transfer rendering the property taxable, the value which shall be assessed by the assessor at the time of such transfer (AS OF THE DATE OF TITLE TRANSFER). The amount to be added to the original assessed value of the district as a result of enlargements thereof shall be equal to the assessed value of the added real property as most recently certified by the commissioner of revenue as of the date of *modification* of the tax increment financing plan pursuant to section 273.74, subdivision 4. The amount to be subtracted from the original assessed value of the district as a result of previously taxable real property within the district becoming tax exempt, or a reduction in the geographic area of the district, shall be the amount of original assessed value initially attributed to the property becoming tax exempt or being removed from the district. If the assessed value of property located within the tax increment financing district is reduced by *reason of* a court-ordered abatement, (THE ORIGINAL ASSESSED VALUE OF THE DISTRICT SHALL BE REDUCED BY THAT AMOUNT) *stipulation agreement, voluntary abatement made by the assessor or auditor or by order of the commissioner of revenue, the reduction shall be applied to the original assessed value of the district when the property upon which the abatement is made has not been improved since the date of certification of the district and to the captured assessed value of the district in each year thereafter when the abatement relates to improvements made after the date of certification.* The county auditor shall have the power to specify reasonable form and content of the request for certification of the authority and any modification thereof pursuant to section 273.74, subdivision 4.

Sec. 12. Minnesota Statutes, 1979 Supplement, Section 273.76, Subdivision 2, is amended to read:

Subd. 2. [CAPTURED ASSESSED VALUE.] The county auditor shall certify the amount of the captured assessed value

to the authority each year, together with the proportion that the captured assessed value bears to the total assessed value of the real property within the tax increment financing district for that year.

(a) An authority may choose to retain any part or all of the captured assessed value for purposes of tax increment financing according to one of the two following options:

(1) If the plan provides that all the captured assessed value is necessary to finance or otherwise make permissible expenditures under section 273.75, subdivision (5) 4, the authority may retain the full captured assessed value.

(2) If the plan provides that only a portion of the captured assessed value is necessary to finance or otherwise make permissible expenditures under section 273.75, subdivision (5) 4, only that portion shall be set aside and the remainder shall be distributed among the affected taxing districts by the county auditor.

(b) The portion of captured assessed value that an authority intends to use for purposes of tax increment financing must be clearly stated in the tax increment financing plan.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 273.76, Subdivision 3, is amended to read:

Subd. 3. [TAX INCREMENT, RELATIONSHIP TO CHAPTER 473F.] (a) Unless the governing body elects pursuant to clause (b) the following method of computation shall apply:

((1) THE ORIGINAL ASSESSED VALUE SHALL 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 DISTRICT IS CERTIFIED AND THE CURRENT ASSESSED VALUE SHALL NOT BE REDUCED TO ANY EXTENT TO REFLECT THE CONTRIBUTION OF THE MUNICIPALITY TO THE AREA-WIDE TAX BASE PURSUANT TO SECTION 473F.08, SUBDIVISION 2, CLAUSE (A).)

((2) IN EACH SUBSEQUENT YEAR, THE COUNTY AUDITOR SHALL COMPUTE ASSESSED VALUATION, MILL RATES AND THE TAX INCREMENT AS FOLLOWS:)

((1) IF THE AUTHORITY RETAINS THE FULL CAPTURED ASSESSED VALUE, THE COUNTY AUDITOR SHALL INCLUDE NO MORE THAN THE ORIGINAL ASSESSED VALUE OF THE REAL PROPERTY IN THE TAX INCREMENT FINANCING 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 DISTRICT IS LOCATED IN WHOLE OR IN PART OF THE AFOREMENTIONED ASSESSED VALUE. THE COUNTY AUDITOR SHALL EXTEND ALL MILL RATES AGAINST THE CURRENT ASSESSED VALUE, INCLUDING THE CAPTURED ASSESSED VALUE, EXCEPT FOR THAT PORTION OF THE CURRENT ASSESSED VALUE WHICH IS SUBJECT TO THE AREA-WIDE TAX RATE DETERMINED PURSUANT TO SECTION 473F.08, SUBDIVISION 5. IN EACH YEAR FOR WHICH THE CURRENT ASSESSED VALUE EXCEEDS THE ORIGINAL ASSESSED VALUE, THE COUNTY TREASURER SHALL REMIT TO THE AUTHORITY THAT PORTION OF ALL TAXES PAID THAT YEAR ON REAL PROPERTY IN THE DISTRICT, INCLUDING TAXES PAID AS A RESULT OF THE APPLICATION OF THE AREA-WIDE TAX DETERMINED PURSUANT TO SECTION 473F.08, SUBDIVISION 5, WHICH EXCEEDS THE TAXES ATTRIBUTABLE TO THE APPLICATION OF LOCAL MILL RATES TO THE ORIGINAL ASSESSED VALUE. THE AMOUNT SO REMITTED EACH YEAR IS REFERRED TO IN THIS SECTION AS THE TAX INCREMENT FOR THAT YEAR.)

((II) 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 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 DISTRICT IS LOCATED IN WHOLE OR IN PART ON THIS 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, EXCEPT FOR THAT PORTION OF THE CURRENT ASSESSED VALUE WHICH IS SUBJECT TO THE AREA-WIDE TAX RATE DETERMINED PURSUANT TO SECTION 473F.08, SUBDIVISION 5. IN EACH YEAR FOR WHICH THE CURRENT ASSESSED VALUE EXCEEDS THE ORIGINAL ASSESSED VALUE, THE COUNTY TREASURER SHALL REMIT TO THE AUTHORITY THAT PORTION OF ALL TAXES PAID ON REAL PROPERTY IN THE DISTRICT, INCLUDING TAXES PAID AS A RESULT OF THE AREA-WIDE TAX RATE DETERMINED PURSUANT TO SECTION 473F.08, SUBDIVISION

5, THAT EXCEEDS THE TAXES ATTRIBUTABLE TO THE APPLICATION OF LOCAL MILL RATES TO THE ORIGINAL ASSESSED VALUE AND TO THAT PORTION OF THE CAPTURED ASSESSED VALUE WHICH IS SHARED WITH ALL THE AFFECTED TAXING DISTRICTS. THE AMOUNT SO REMITTED EACH YEAR IS REFERRED TO AS THE TAX INCREMENT.)

((3) IN ANY YEAR IN WHICH THE CURRENT ASSESSED VALUE OF THE TAX INCREMENT FINANCING DISTRICT IS LESS THAN THE ORIGINAL ASSESSED VALUE, THEREBY CREATING A TAX INCREMENT DEFICIT, THE COUNTY AUDITOR SHALL COMPUTE AND EXTEND TAXES AGAINST THE CURRENT ASSESSED VALUE, EXCEPT FOR THAT PORTION OF THE CURRENT ASSESSED VALUE WHICH IS SUBJECT TO THE AREA-WIDE TAX RATE DETERMINED PURSUANT TO SECTION 473F.08, SUBDIVISION 5. TAXES, INCLUDING TAXES PAID AS A RESULT OF THE APPLICATION OF THE AREA-WIDE TAX RATE DETERMINED PURSUANT TO SECTION 473F.08, SUBDIVISION 5, SHALL BE DISTRIBUTED FROM THE AFFECTED PROPERTY TO EACH OF THE TAXING JURISDICTIONS AS DETERMINED BY THE CURRENT LEVY AND THERE WILL BE NO TAX INCREMENT. IN ANY YEAR SUBSEQUENT TO A YEAR IN WHICH THERE EXISTS A TAX INCREMENT DEFICIT, THE TAX INCREMENT SHALL BE COMPUTED WITHOUT REGARD TO SAID DEFICIT.)

(1) The original assessed value and the current assessed value shall be determined before the application of the fiscal disparity provisions of chapter 473F. Where the original assessed value is equal to or greater than the current assessed value, there is no captured assessed value and no tax increment determination. Where the original assessed value is less than the current assessed value, the difference between the original assessed value and the current assessed value is the captured assessed value. This amount less any portion thereof which the authority has designated, in its tax increment financing plan, to share with the local taxing districts is the retained captured assessed value of the authority.

(2) The county auditor shall exclude the retained captured assessed value of the authority from the taxable value of the local taxing districts in determining local taxing district mill rates. The mill rates so determined are to be extended against the retained captured assessed value of the authority as well as the taxable value of the local taxing districts. The tax generated by the extension of the local taxing district mill rates to the retained captured assessed value of the authority is the tax increment of the authority.

(b) Notwithstanding clause (a), the governing body may, by resolution approving the tax increment financing plan pur-

suant to section 273.74, subdivision 3, elect the following method of computation:

((1) 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 DISTRICT IS CERTIFIED AND 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, CLAUSE (A).)

((2) IN EACH SUBSEQUENT YEAR, THE COUNTY AUDITOR SHALL COMPUTE ASSESSED VALUATION, MILL RATES AND TAX INCREMENTS AS FOLLOWS:)

((I) IF THE AUTHORITY RETAINS THE FULL CAPTURED ASSESSED VALUE, THE COUNTY AUDITOR SHALL INCLUDE NO MORE THAN THE ORIGINAL ASSESSED VALUE OF THE REAL PROPERTY IN THE TAX INCREMENT FINANCING 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 DISTRICT IS LOCATED IN WHOLE OR IN PART ON THE AFOREMENTIONED 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 CURRENT ASSESSED VALUE. THE AMOUNT SO REMITTED EACH YEAR IS REFERRED TO IN THIS SECTION AS THE TAX INCREMENT FOR THAT YEAR.)

((II) 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 DISTRICT IS LOCATED IN WHOLE OR IN PART ON THIS AFOREMENTIONED 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 PORTION 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.)

(3) IN ANY YEAR IN WHICH THE CURRENT ASSESSED VALUE OF THE TAX INCREMENT FINANCING DISTRICT IS LESS THAN THE ORIGINAL ASSESSED VALUE, THEREBY CREATING A TAX INCREMENT DEFICIT, 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 IS NO TAX INCREMENT, IN ANY YEAR SUBSEQUENT TO A YEAR IN WHICH THERE EXISTS A TAX INCREMENT DEFICIT, TAX INCREMENTS SHALL BE COMPUTED WITHOUT REGARD TO THE DEFICIT.)

(1) *The original assessed value shall be determined before the application of the fiscal disparity provisions of chapter 473F. The current assessed value shall exclude any fiscal disparity commercial-industrial assessed value increase between the original year and the current year multiplied by the fiscal disparity ratio determined pursuant to section 473F.08, subdivision 6. Where the original assessed value is equal to or greater than the current assessed value, there is no captured assessed value and no tax increment determination. Where the original assessed value is less than the current assessed value, the difference between the original assessed value and the current assessed value is the captured assessed value. This amount less any portion thereof which the authority has designated, in its tax increment financing plan, to share with the local taxing districts is the retained captured assessed value of the authority.*

(2) *The county auditor shall exclude the retained captured assessed value of the authority from the taxable value of the local taxing districts in determining local taxing district mill*

rates. The mill rates so determined are to be extended against the retained captured assessed value of the authority as well as the taxable value of the local taxing districts. The tax generated by the extension of the local taxing district mill rates to the retained captured assessed value of the authority is the tax increment of the authority.

((4)) (3) An election by the governing body pursuant to part (b) shall be submitted to the county auditor by the authority at the time of the request for certification pursuant to subdivision 1.

(c) The method of computation of tax increment applied to a district pursuant to clause (a) or (b), once established, shall remain the same for the duration of the district.

Sec. 14. Minnesota Statutes, 1979 Supplement, Section 273.76, is amended by adding a subdivision to read:

Subd. 6. A request for certification of a new tax increment financing district pursuant to subdivision 1 or of a modification to an existing tax increment financing district pursuant to section 273.74, subdivision 4, received by the county auditor on or before October 10 of the calendar year shall be recognized by the county auditor in determining mill rates for the current and subsequent levy years. Such requests received by the county auditor after October 10 of the calendar year shall not be recognized by the county auditor in determining mill rates for the current levy year but shall be recognized by the county auditor in determining mill rates for subsequent levy years.

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 273.76, is amended by adding a subdivision to read:

Subd. 7. [PROPERTY CLASSIFICATION CHANGES.] In the event that any law governing the classification of real property and thereby determining the percentage of market value to be assessed for ad valorem taxation purposes is amended after August 1, 1979, the increase or decrease in assessed valuation resulting therefrom shall be applied proportionately to original assessed value and captured assessed value of any tax increment financing district in each year thereafter, whether created pursuant to the Minnesota Tax Increment Financing Act or any prior tax increment law.

Sec. 16. Minnesota Statutes, 1979 Supplement, Section 273.76, is amended by adding a subdivision to read:

Subd. 8. [ASSESSMENT AGREEMENTS.] An authority may, upon entering into a development or redevelopment agreement pursuant to section 273.75, subdivision 5, enter into a written assessment agreement in recordable form with the de-

veloper or redeveloper of property within the tax increment financing district which establishes a minimum market value of the land and completed improvements to be constructed thereon until a specified termination date, which date shall be not later than the date upon which tax increment will no longer be remitted to the authority pursuant to section 273.75, subdivision 1. The assessment agreement shall be presented to the county assessor, or city assessor having the powers of the county assessor, of the jurisdiction in which the tax increment financing district is located. The assessor shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, shall execute the following certification upon such agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property upon completion of the improvements to be constructed thereon, hereby certifies that the market value assigned to such land and improvements upon completion shall not be less than \$

Upon transfer of title of the land to be developed or redeveloped from the authority to the developer or redeveloper, such assessment agreement, together with a copy of this subdivision, shall be filed for record and recorded in the office of the county recorder or filed in the office of the registrar of titles of the county where the real estate or any part thereof is situated. Upon completion of the improvements by the developer or redeveloper, the assessor shall value the property pursuant to section 273.11, except that the market value assigned thereto shall not be less than the minimum market value contained in the assessment agreement. Nothing herein shall limit the discretion of the assessor to assign a market value to the property in excess of the minimum market value contained in the assessment agreement nor prohibit the developer or redeveloper from seeking, through the exercise of administrative and legal remedies, a reduction in market value for property tax purposes; provided, however, that the developer or redeveloper shall not seek, nor shall the city assessor, the county assessor, the county auditor, any board of review, any board of equalization, the commissioner of revenue or any court of this state grant a reduction of the market value below the minimum market value contained in the assessment agreement during the term of the agreement filed of record regardless of actual market values which may result from incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording or filing of an assessment agreement complying with the terms of this subdivision shall constitute notice of the agreement to any subsequent purchaser or encumbrancer of the land or any part

thereof, whether voluntary or involuntary, and shall be binding upon them.

Sec. 17. Minnesota Statutes, 1979 Supplement, Section 273.77, is amended to read:

273.77 [TAX INCREMENT BONDING.] Any other law, general or special, notwithstanding, after August 1, 1979 no bonds, payment for which tax increment is pledged, shall be issued in connection with any project for which tax increment financing has been undertaken other than as is authorized hereby and the proceeds therefrom shall be used only in accordance with section 273.75, subdivision (5) 4 as if said proceeds were tax increment, except that a tax increment financing plan need not be adopted for any project for which tax increment financing has been undertaken prior to August 1, 1979, pursuant to statutes not requiring a tax increment financing plan. Such bonds shall not be included for purposes of computing the net debt of any municipality.

(a) A municipality may issue general obligation bonds to finance any expenditure by the municipality or an authority the jurisdiction of which is wholly or partially within that municipality, pursuant to section 273.75, subdivision (5) 4 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. Any pledge of tax increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision, 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 increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision and thereupon shall file the resolution containing such covenant with the county auditor. When tax increment, assessments and other revenues are pledged, the estimated collections of said tax increment, assessment 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 1 or 3.

(b) 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 273.75, subdivision (5) 4. Said bonds of the authority shall be authorized by its resolution, shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322 and may

be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such 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, and any provision of any law to the contrary notwithstanding, the bonds shall be fully negotiable. In any suit, actions, or proceedings involving the validity of enforceability of any bonds of the authority or the security therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a district shall be conclusively deemed to have been issued for such purpose, and the district shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979, Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent 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, and such bonds shall so 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 such bonds be payable out of any funds or properties other than those of the authority and any tax increment and revenues of a tax increment financing district pledged therefor.

(c) Notwithstanding any other law general or special, 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 financing district located wholly or partially within the municipality to finance any expenditure which the authority is authorized to make by section 273.75, subdivision (5) 4. The bonds shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322 and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such 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, and any provision of any law to the contrary notwithstanding, shall be fully negotiable. In any suit, action, or proceedings, involving the validity or enforceability of any bonds of the authority or the security

therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a district shall be conclusively deemed to have been issued for such purpose, and the district shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979, Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent 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 district in aid of which the bonds are issued and such covenants as the authority shall deem by such resolution to be necessary and proper to secure payment of the bonds. The bonds, and the bonds shall so 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 issuing authority be subject to any liability thereon or have the powers to obligate itself to pay or pay the bonds from funds other than the revenues and properties pledged and mortgaged and no holder or holders 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 Laws 1979, Chapter 322 and pledged therefor hereunder, to pay the principal of or interest on any such 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. 18. Minnesota Statutes, 1979 Supplement, Section 273.78, is amended to read:

273.78 [EXISTING PROJECTS.] The provisions of sections 273.71 to 273.77 shall not affect any project for which tax increment certification was requested pursuant to law prior to August 1, 1979, or any project carried on by an authority pursuant to section 462.545, subdivision 5 with respect to which the governing body has by resolution designated properties for inclusion in the (PROJECT) *district* prior to August 1, 1979, except:

(a) As otherwise expressly provided in sections 273.71 to 273.77; or

(b) As an authority may elect to proceed with an existing (PROJECT) *district*, under the provisions of sections 273.71 to 273.77; or

(c) That any enlargements of the geographic area of an existing tax increment financing district subsequent to August 1, 1979, shall be accomplished in accordance with and shall

subject the property added as a result of the enlargement to the terms and conditions of sections 273.71 to 273.77; or

(d) That commencing with taxes payable in 1980, section 273.76, subdivision 3, clause (b) shall apply to all development districts created pursuant to chapter 472A, or any special law, prior to August 1, 1979.

Sec. 19. Minnesota Statutes, 1979 Supplement, Section 273.86, Subdivision 4, is amended to read:

Subd. 4. [EXCEPTIONS.] The provisions of this section shall not apply to any property purchased from an authority which acquired such property with tax increment or bonds issued pursuant to Laws 1979, Chapter 322, (SECTIONS 10 TO 12) Section 7.

Sec. 20. Minnesota Statutes, 1979 Supplement, Section 473F.08, Subdivision 6, is amended to read:

Subd. 6. The rate of taxation determined in accordance with subdivision 5 shall apply in the taxation of each item of commercial-industrial property subject to taxation within a municipality, including property located within any tax increment financing district, as defined in section 273.73, subdivision 9, to that portion of the assessed valuation of the item which bears the same proportion to its total assessed valuation as 40 percent of the amount determined pursuant to section 473F.06 in respect to the municipality in which the property is taxable bears to (: (A)) the amount determined pursuant to section 473F.05 (MINUS (B) THE ENTIRE PORTION THEREOF LOCATED WITHIN ANY TAX INCREMENT FINANCING DISTRICT, AS DEFINED IN SECTION 273.73, SUBDIVISION 9 FOR WHICH TAX INCREMENT IS COMPUTED IN ACCORDANCE WITH SECTION 273.76, SUBDIVISION 3, CLAUSE (A)(2), REGARDLESS OF THE EXTENT TO WHICH IT IS OR IS NOT INCLUDED IN DETERMINING ASSESSED VALUE FOR PURPOSES OF COMPUTING LOCAL MILL RATES UNDER SECTION 273.76, SUBDIVISION 3, CLAUSE (A)(2)). The rate of taxation determined in accordance with subdivision 4 shall apply in the taxation of the remainder of the assessed valuation of the item.

Sec. 21. Minnesota Statutes 1978, Section 472A.02, is amended by adding a subdivision to read:

Subd. 11. A "development district" is a specific area within the corporate limits of a municipality which has been so designated and separately numbered by the governing body.

Sec. 22. [EFFECTIVE DATE.] *This article shall be effective the day following final enactment.*

ARTICLE VII

TACONITE TAX

Section 1. Minnesota Statutes 1978, Section 273.135, Subdivision 2, is amended to read:

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be

(a) in the case of property located within the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 66 percent of the amount of such tax, provided that the amount of said reduction shall not exceed the maximum amount specified in clause (E) (c).

(b) in the case of property located within the boundaries of a school district which qualifies as a tax relief area but which is outside the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 57 percent of the amount of such tax, provided that the amount of said reduction shall not exceed the maximum amount specified in clause (E) (c).

(c) (IN THE CASE OF PROPERTY LOCATED WITHIN A SCHOOL DISTRICT WHICH DOES NOT MEET THE QUALIFICATIONS OF SECTION 273.134 AS A TAX RELIEF AREA, BUT WHICH IS LOCATED IN A COUNTY WITH A POPULATION OF LESS THAN 100,000 IN WHICH TACONITE IS MINED OR QUARRIED AND WHEREIN A SCHOOL DISTRICT IS LOCATED WHICH DOES MEET THE QUALIFICATIONS OF A TAX RELIEF AREA, AND PROVIDED THAT AT LEAST 90 PERCENT OF THE AREA OF THE SCHOOL DISTRICT WHICH DOES NOT MEET THE QUALIFICATIONS OF SECTION 273.134 LIES WITHIN SUCH COUNTY, 57 PERCENT OF THE AMOUNT OF THE TAX ON QUALIFIED PROPERTY LOCATED IN THE SCHOOL DISTRICT THAT DOES NOT MEET THE QUALIFICATIONS OF SECTION 273.134, PROVIDED THAT THE AMOUNT OF SAID REDUCTION SHALL NOT EXCEED THE MAXIMUM AMOUNT SPECIFIED IN CLAUSE (E). THE REDUCTION PROVIDED BY THIS CLAUSE SHALL ONLY BE APPLICABLE TO PROPERTY LOCATED WITHIN THE BOUNDARIES OF THE COUNTY DESCRIBED THEREIN.)

((D) IN THE CASE OF PROPERTY LOCATED WITHIN A SCHOOL DISTRICT WHICH DOES NOT MEET THE QUALIFICATIONS OF SECTION 273.134 AS A TAX RELIEF AREA, BUT WHICH IS LOCATED IN A SCHOOL DISTRICT IN A COUNTY CONTAINING A CITY OF THE FIRST CLASS AND A QUALIFYING MUNICIPALITY, BUT NOT IN A SCHOOL DISTRICT CONTAINING A CITY OF THE FIRST CLASS OR ADJACENT TO A SCHOOL DISTRICT CONTAINING A CITY OF THE FIRST CLASS UNLESS THE

SCHOOL DISTRICT SO ADJACENT CONTAINS A QUALIFYING MUNICIPALITY, 57 PERCENT OF THE AMOUNT OF THE TAX, BUT NOT TO EXCEED THE MAXIMUM SPECIFIED IN CLAUSE (E).)

((E)) The maximum reduction for property described in clause (a) shall be \$385 and for property described in (CLAUSES) clause (b) (, (C) AND (D),) \$330 for taxes payable in 1978. These maximum amounts shall increase by \$15 per year for taxes payable in 1979 and subsequent years.

Sec. 2. Minnesota Statutes 1978, Section 298.17, is amended to read:

298.17 [OCCUPATION TAXES TO BE APPORTIONED.] All occupation taxes which shall become due and payable on May 1, 1924, and subsequent thereto, from persons, copartnerships, companies, joint stock companies, corporations, and associations, however or for whatever purpose organized, engaged in the business of mining or producing iron ore or other ores, when collected shall be apportioned and distributed in accordance with the Constitution of the state of Minnesota, Article 10, Section 3, in the manner following: 90 percent shall be deposited in the state treasury and credited to the general fund of which four-ninths shall be used for the support of elementary and secondary schools; and ten percent of the proceeds of the tax imposed by this section shall be deposited in the state treasury and credited to the general fund for the general support of the university. *Of the moneys apportioned to the general fund by this section there is annually appropriated and credited to the iron range resources and rehabilitation board account in the special revenue fund an amount equal to that which would have been generated by a 1 cent tax imposed by section 298.24 on each taxable ton produced in the preceding calendar year, to be expended for the purposes of section 298.22. The moneys appropriated pursuant to this section shall 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 68, issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134. Payment to the iron range resources and rehabilitation board account shall be made by May 15 annually, beginning in 1981.*

Sec. 3. Minnesota Statutes 1978, Section 298.22, Subdivision 2, is amended to read:

Subd. 2. There is hereby created the iron range resources and rehabilitation board, consisting of eleven members, five of whom shall be state senators appointed by the subcommittee on committees of the rules committee of the senate, and five of whom shall be representatives, appointed by the speaker of the house of representatives, their terms of office to commence on May 1, 1943, and continue until January 3rd, 1945, or until their suc-

cessors are appointed and qualified. Their successors shall be appointed each two years in the same manner as the original members were appointed, in January of every second year, commencing in January, 1945. The eleventh member of said board shall be the commissioner of natural resources of the state of Minnesota. Vacancies on the board shall be filled in the same manner as the original members were chosen. *At least a majority of the legislative members of the board shall be elected from state senatorial or legislative districts in which over 50 percent of the residents reside within a tax relief area as defined in Minnesota Statutes, Section 273.134.* All expenditures and projects made by the commissioner of iron range resources and rehabilitation shall first be submitted to said iron range resources and rehabilitation board which shall recommend approval or disapproval or modification of expenditures and projects for rehabilitation purposes as provided by this section, and the method, manner, and time of payment of all said funds proposed to be disbursed shall be first approved or disapproved by said board. The board shall biennially make its report to the governor and the legislature on or before November 15 of each even numbered year. The expenses of said board shall be paid by the state of Minnesota from the funds raised pursuant to this section.

Sec. 4. Minnesota Statutes 1978, Section 298.223, is amended to read:

298.223 [TACONITE AREA ENVIRONMENTAL PROTECTION FUND.] A fund called the taconite environmental protection fund is created for the purpose of reclaiming, restoring and enhancing those areas of northeast Minnesota *located within a tax relief area defined in section 273.134 that are adversely affected by the environmentally damaging operations involved in mining taconite and iron ore and producing iron ore concentrate and for the purpose of promoting the economic development of northeast Minnesota.* The taconite environmental protection fund shall be used for the following purposes:

(a) to initiate investigations into matters the Iron Range Resources and Rehabilitation Board determines are in need of study and which will determine the environmental problems requiring remedial action;

(b) reclamation, restoration or reforestation of minelands not otherwise provided for by state law;

(c) local economic development projects including construction of sewer and water systems, and other public works *located within a tax relief area defined in section 273.134;*

(d) monitoring of mineral industry related health problems among mining employees.

The taconite environmental protection fund shall be administered by the commissioner of the Iron Range Resources and Re-

habilitation Board. The commissioner shall by September 1 of each year prepare a list of projects to be funded from the taconite environmental protection fund, with such supporting information including description of the projects, plans, and cost estimates as may be necessary. Upon recommendation of the Iron Range Resources and Rehabilitation Board, this list shall be submitted to the legislative advisory commission for its review. This list with the recommendation of the legislative advisory commission shall then be transmitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each individual project. Funds for a project may be expended only upon approval of the project by the governor.

(NOTWITHSTANDING THE ABOVE, IN 1977 THE COMMISSIONER, WITH THE RECOMMENDATION OF THE BOARD, SHALL SUBMIT A LIST OF PROJECTS TO THE LEGISLATIVE ADVISORY COMMISSION BY JUNE 15. THIS LIST SHALL BY JULY 1 BE TRANSMITTED TO THE GOVERNOR FOR APPROVAL. FUNDS MAY BE EXPENDED UPON APPROVAL BY THE GOVERNOR.)

There is hereby annually appropriated to the commissioner of the Iron Range Resources and Rehabilitation Board such funds as are necessary to carry out the projects approved and such funds as are necessary for administration of this section. Annual administrative costs, not including detailed engineering expenses for the projects, shall not exceed five percent of the amount annually expended from the fund.

Funds for the purposes of this section are provided by section 298.28, subdivision 1, clause (9) relating to the taconite environmental protection fund.

Sec. 5. Minnesota Statutes 1978, 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 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. 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 *for the cost of administering the tax imposed by section 298.24.*

(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) *The amount determined in this clause shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined*

in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .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.

(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.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) (,) and (b) (, AND (C)) 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)) 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 certifi-

icates 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. 6. Minnesota Statutes 1978, Chapter 477A, is amended by adding a section to read:

[477A.15] [TACONITE AID REIMBURSEMENT.] *Any school district in which is located property which had been entitled to a reduction of tax pursuant to Minnesota Statutes 1978, Section 273.135, Subdivision 2, clause (c), shall receive in 1981 and subsequent years an amount equal to the amount it received in 1980 pursuant to Minnesota Statutes 1978, Section 298.28, Subdivision 1, clause (3)(b). Payments shall be made pursuant to this section by the commissioner of revenue to the taxing jurisdiction on July 15 of 1981 and each year thereafter.*

Sec. 7. Minnesota Statutes 1978, Chapter 273, is amended by adding a section to read:

[273.139] [SUPPLEMENTARY HOMESTEAD PROPERTY TAX RELIEF.] *Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area described in subdivision 2 on class 3b property not exceeding 240 acres, on class 3c property, and on class 3cc property, as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.*

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area; and provided that at least 90 percent of the area of the school district which does not meet the

qualifications of section 273.134 lies within such county, 57 percent of the amount of the tax on qualified property located in the school district that does not meet the qualifications of section 273.134, provided that the amount of said reduction shall not exceed the maximum amount specified in clause (c). The reduction provided by this clause shall only be applicable to property located within the boundaries of the county described therein.

(b) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a school district in a county containing a city of the first class and a qualifying municipality, but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a qualifying municipality, 57 percent of the amount of the tax, but not to exceed the maximum specified in clause (c).

(c) The maximum reduction shall be \$375 for taxes payable in 1981. These maximum amounts shall increase by \$15 per year for taxes payable in 1982 and subsequent years.

Subd. 3. Not later than December 1 of each year, commencing in 1980, each county auditor having jurisdiction over one or more tax relief areas defined in subdivision 2 shall certify to the commissioner of revenue his estimate of the total amount of the reduction, determined under subdivision 2, in taxes payable the next succeeding year with respect to all tax relief areas in his county.

Subd. 4. For the purposes of this section, the amount of property tax to be paid shall be determined before the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

Sec. 8. Minnesota Statutes 1978, 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; section 6; 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 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. 9. Minnesota Statutes, 1979 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 reduction 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; section 6; 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 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 subdivision 2a, to the total levy allowed the district under this section 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. The amount of any levy authorized by subdivision 7a shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by 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 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 amount on the designated date: on or before March 15 of each year, 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. 10. Minnesota Statutes 1978, Chapter 298, is amended by adding a section to read:

[298.401] [APPORTIONMENT OF INCOME.] *All imputed income determined pursuant to section 298.40, subdivision 1, clause (b) is and shall be apportioned to Minnesota.*

Sec. 11. [APPROPRIATION.] *A sum sufficient to make the payments required by sections 6 and 7 is annually appro-*

priated from the general fund to the commissioner of revenue for the purpose of funding those sections.

Sec. 12. [EFFECTIVE DATE.] Sections 1 and 7 are effective for taxes levied in 1980, payable in 1981 and thereafter. Sections 4 and 5 are effective for distributions made after December 31, 1980. Section 10 is effective the day following final enactment as a restatement of the intent of Minnesota Statutes, Section 298.40, as originally enacted.

ARTICLE VIII

MUNICIPAL BONDS INTEREST RATES

Section 1. Minnesota Statutes 1978, 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, *not exceeding nine percent per year*, as may be agreed by the contracting party, the purchaser, and the municipality or redevelopment agency, notwithstanding any limitation of interest rate or cost or 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, 1b, or 1c.

Sec. 2. Minnesota Statutes 1978, Section 475.55, is amended to read:

475.55 [EXECUTION; NEGOTIABILITY; INTEREST RATES.] Subdivision 1. All obligations shall be signed by officers authorized by resolution of the governing body or by persons authorized to sign on behalf of a bank designated by the resolution as authenticating agent, and shall express the amount and the terms of payment. *Interest on obligations authorized by resolution before December 31, 1982 shall not exceed the rate of 12 percent per annum, payable half yearly.* Interest (THEREON) on obligations authorized thereafter shall not exceed the rate of (SEVEN) *nine percent per annum, payable half yearly.* All obligations shall be negotiable investment securities as provided in the uniform commercial code, chapter 336, article 8. The validity of an obligation shall not be impaired by the fact that one or more officers authorized to execute it shall have ceased to be in office before delivery to the purchaser or shall not have been in office on the formal issue date of the obligation. Every

obligation shall be signed manually by one officer or authenticating agent. Other signatures and the seal of the issuer may be printed, lithographed, stamped or engraved thereon and on any interest coupons to be attached thereto. The seal need not be used.

Subd. 2. The provisions of subdivision 1 shall supersede (ALL PROVISIONS OF) any (LAW OR CHARTER FIXING A) lower maximum interest rate *fixed by any other law or a city charter* with respect to obligations of the state or any municipality or governmental or public subdivision, district, corporation, commission, board, council, or authority of whatsoever kind, including warrants or orders issued in evidence of allowed claims for property or services furnished to the issuer, but shall not (RESTRICT THE POWER OF THE ISSUER TO FIX) *limit the interest on any obligation (IN ACCORDANCE WITH THE) issued pursuant to a law or charter authorizing (ITS ISSUANCE) the issuer to determine the rate or rates of interest.*

Subd. 3. *Notwithstanding any contrary provisions of law or charter, special assessments pledged to the payment of obligations may bear interest at the rate the governing body by resolution determines, not exceeding the greater of (a) the maximum interest rate per annum which the obligations may bear under the provisions of subdivisions 1 and 2 plus one percent or (b) the maximum interest rate permitted to be charged against the assessments under the law or city charter pursuant to which the assessments were levied.*

Sec. 3. Minnesota Statutes 1978, Section 475.60, Subdivision 2, is amended to read:

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

(1) Obligations issued under the provisions of a home rule charter or of a law specifically authorizing a different method of sale, or authorizing them to be issued in such manner or on such terms and conditions as the governing body may determine;

(2) Obligations sold by an issuer in an amount not exceeding the total sum of (\$100,000) \$200,000 in any three month period;

(3) Obligations issued by a governing body other than a school board in anticipation of the collection of taxes or other revenues appropriated for expenditure in a single year, if sold in accordance with the most favorable of two or more proposals solicited privately; and

(4) Obligations sold to any board, department, or agency of the United States of America or of the state of Minnesota,

in accordance with rules or regulations promulgated by such board, department, or agency.

Sec. 4. *Section 1 of this article is effective December 31, 1982. The other sections are effective the day after final enactment.*

ARTICLE IX

CORPORATE INCOME TAX

Section 1. Minnesota Statutes 1978, Section 290.06, Subdivision 1, is amended to read:

290.06 [RATES OF TAX; CREDITS AGAINST TAX.] Subdivision 1. [COMPUTATION, CORPORATIONS.] The privilege and income taxes imposed by this chapter upon corporations shall be computed by applying to their taxable net income in excess of the applicable credits allowed under section 290.21 the rate of 12 percent. (THE AMOUNT OF TAX PAYABLE BY A CORPORATION REQUIRED TO FILE A RETURN SHALL NOT BE LESS THAN \$100.)

Sec. 2. [REPEALER.] *Minnesota Statutes 1978, Section 290.21, Subdivision 2, is repealed.*

Sec. 3. [EFFECTIVE DATE.] *Sections 1 and 2 are effective for taxable years beginning after December 31, 1980.*

ARTICLE X

UTILITY PROPERTY

Section 1. Minnesota Statutes 1978, Section 273.36, is amended to read:

273.36 [ELECTRIC LIGHT AND POWER COMPANIES.] Personal property of electric light and power companies having a fixed situs in any city in this state shall be listed and assessed where situated, without regard to where the principal or other place of business of the company is located. *Transmission lines having a voltage of 69 kv and above, all attachments and appurtenances thereto, having a fixed situs in this state, other than in an unorganized township, shall be listed and assessed where situated, without regard to where the principal or other place of business of the company is located.*

Sec. 2. Minnesota Statutes 1978, Section 273.37, Subdivision 2, is amended to read:

Subd. 2. (ALL) *Transmission lines of less than 69 kv, transmission lines of 69 kv and above located in an unorganized town-*

ship, and distribution lines, and equipment attached thereto, having a fixed situs outside the corporate limits of cities except distribution lines taxed as provided in sections 273.40 and 273.41, shall be listed with and assessed by the commissioner of revenue in the county where situated. The commissioner shall assess such property at the percentage of market value fixed by law; and, on or before the fifteenth day of November, shall certify to the auditor of each county in which such property is located the amount of the assessment made against each company and person owning such property.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 273.42, is amended to read:

273.42 [RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT; PROPERTY TAX CREDIT.] Subdivision 1. The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and distribution lines of 69 kv and above located in an unorganized township, 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, 35 percent to the general revenue fund of the county, 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 (, AFTER DEDUCTING THE AMOUNT REQUIRED FOR THE PROPERTY TAX CREDIT AS PROVIDED IN SUBDIVISION 2). 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 PAID TO THE COUNTY).

Subd. 2. Owners of land defined as class 3, 3b, 3c, 3cc, 3d or 3f pursuant to section 273.13 listed on records of the county auditor or county treasurer over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, except a high voltage transmission line the construction of which was commenced prior to July 1, 1974, shall receive a property tax credit in an amount determined by multiplying a fraction, the numerator of which is the length of high voltage transmission line which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the (COUNTY) city, township or unorganized township by ten percent of the transmission line tax revenue derived from the tax on that portion of the line within the city, township or unorganized township pursuant to (THIS SECTION) section 273.36. Where a right-of-way width is shared by more than one

property owner, the numerator shall be adjusted by multiplying the length of line on the parcel by the proportion of the total width on the parcel owned by that property owner. The amount of credit for which the property qualifies shall not exceed 20 percent of the total gross tax on the parcel prior to deduction of the state paid agricultural credit and the state paid homestead credit, *provided that, if the property containing the right of way is included in a parcel which exceeds 40 acres, the total gross tax on the parcel shall be multiplied by a fraction, the numerator of which is the sum of the number of acres in each quarter section or portion thereof which contains a right of way and the denominator of which is the total number of acres in the parcel set forth on the tax statement, and the maximum credit shall be 20 percent of the product of that computation, prior to deduction of those credits. The auditor of the county in which the affected parcel is located shall calculate the amount of the credit due for each parcel and transmit that information to the county treasurer. The county auditor, in computing the credits received pursuant to sections 273.13 and 273.135, shall reduce the gross tax by the amount of the credit received pursuant to this section, unless the amount of the credit would be less than \$10.*

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 275.51, Subdivision 3d, is amended to read:

Subd. 3d. The property tax levy limitation for governmental subdivisions in 1977 payable in 1978 and subsequent years shall be calculated as follows:

(a) The sum of the following amounts shall be computed:
 (1) the property tax permitted to be levied in 1976 payable 1977 computed pursuant to Minnesota Statutes 1976, Section 275.51, Subdivision 3c, plus

(2) the amount of any state aids the governmental subdivision was entitled to receive in calendar year 1977 pursuant to sections 477A.01; 298.26; 298.28, subdivisions 1 and 1a; 298.281, subdivision 1; 298.282; and 294.26, plus

(3) the amount levied in 1976 payable 1977 pursuant to Minnesota Statutes 1976, Section 275.50, Subdivision 5, Clauses (a), (c), (d), (e), and (f), except for levies made to pay tort judgments and make settlements of tort claims or to pay the salaries and benefits of municipal and probate court judges, plus

(4) the amount levied in 1976 payable 1977 pursuant to Minnesota Statutes 1976, Section 275.50, Subdivision 5, Clause (g) for the administrative costs of public assistance programs or county welfare systems, plus

(5) one-half of the amount of the special levy authorized under section 275.50, subdivision 5, clause (n) shall be added to the permanent levy limit base of the governmental subdivision in the year following the year in which it has been discontinued as

a special levy pursuant to the provisions of section 275.50, subdivision 5, clause (n).

(b) The sum computed in clause (a) shall be increased annually in the manner provided in section 275.52 to derive the levy limit base for successive years.

(c) For taxes levied in 1978 payable 1979 and subsequent years, the levy limit base is the levy limit base which was computed for the immediately preceding year under the provisions of this section increased according to the provisions of section 275.52. To determine the levy limit base for taxes levied in 1979 payable 1980 and subsequent years, (a) the levy limit base used for taxes levied in 1979 payable in 1980 shall be increased by the excess of the amount levied in 1979 for refuse collection and street maintenance over the amount levied in 1978 payable 1979 for those purposes; and (b) in the case of a city of the first class located within the metropolitan area defined in section 473.121, subdivision 2, for the purpose of calculating the levy limit base to be used for taxes levied in 1979, payable 1980, the levy limit base used for taxes levied in 1978, payable 1979, shall be reduced by an amount sufficient to reduce the levy limitation for taxes levied in 1978 payable 1979 by 15 percent. *To determine the levy limit base used for taxes levied in 1981 payable in 1982 and subsequent years, the levy limit base used for taxes levied in 1981 payable in 1982 shall be increased by the revenue derived by the governmental subdivision for taxes levied in 1980 payable in 1981 from transmission lines of 69 kv or greater assessed under Minnesota Statutes 1978, Section 273.37.* Any amount levied in 1976 payable 1977 under the provisions of section 275.50, subdivision 5, clauses (a), (c), (d), (e) or (f) to meet the costs of programs, services or legal requirements which cease to exist in a subsequent year shall be subtracted from the levy limit base in the year in which the programs, services or legal requirements for which the levy was made cease to exist.

(d) The levy limit base shall be reduced by the total amount of state formula aids pursuant to section 477A.01 and taconite taxes and aids pursuant to sections 294.26; 298.26; 298.28, subdivision 1; 298.282 and state reimbursements for wetlands property tax exemptions provided in section 272.02, subdivision 1, clause (16); and the payments in lieu of taxes to a county pursuant to section 477A.12 which are required to be used to provide property tax levy reduction, to be paid in the calendar year in which property taxes are payable. As provided in section 298.28, subdivision 1, for taxes payable in 1978 and 1979, two cents per taxable ton, and for taxes payable in 1980 and thereafter, one cent per taxable ton of the amount distributed under section 298.28, subdivision 1, clause (4)(c) shall not be deducted from the levy limit base of the counties that receive that aid. The resulting figure is the amount of property taxes which a governmental subdivision may levy for all purposes other than those for which special levies and special assessments are made.

Sec. 5. Laws 1979, Chapter 303, Article II, Section 39, is amended to read:

Sec. 39. [EFFECTIVE DATE.] Sections 5, 8, 18, 19 and 24, except as otherwise provided and 38, subdivision (2) 1, are effective for taxes levied in 1980 payable in 1981 and thereafter.

Sections 6, 16 and 17 are effective for taxes levied in 1979 payable 1980 and thereafter.

Sections 20, 21 and 38, subdivision 2, are effective for 1981 payable 1982 and thereafter.

Sections 28 to 34 are effective for claims based on property taxes payable in 1980 and rent constituting property taxes in 1979 and subsequent years, except that section 28, subdivision 3, clause (f) is effective for property tax refund claims based on rent paid in 1976 and property taxes payable in 1977 and subsequent years.

Sec. 6. [EFFECTIVE DATE.] *Sections 1 to 3 are effective for taxes levied in 1981 and thereafter, and payable in 1982 and thereafter.*

ARTICLE XI

SPECIAL ASSESSMENT APPEALS

Section 1. Minnesota Statutes 1978, Section 429.061, Subdivision 1, is amended to read:

429.061 [ASSESSMENT PROCEDURE.] Subdivision 1. [CALCULATION, NOTICE.] At any time after (A CONTRACT IS LET OR THE WORK ORDERED BY DAY LABOR,) the expense incurred or to be incurred in (ITS) making *an improvement* shall be calculated under the direction of the council (.), the council shall (THEN) determine by resolution the amount of the total expense the municipality will pay, other than the amount, if any, which it will pay as a property owner, and the amount to be assessed. Thereupon the clerk, with the assistance of the engineer or other qualified person selected by the council, shall calculate the proper amount to be specially assessed for the improvement against every assessable lot, piece or parcel of land, without regard to cash valuation, in accordance with the provisions of section 429.051. The proposed assessment roll shall be filed with the clerk and be open to public inspection. The clerk shall thereupon, under the council's direction, publish notice that the council will meet to consider the proposed assessment. Such notice shall be published in the newspaper at least once and shall be mailed to the owner of each parcel described in the assessment roll. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be such on the records of the county auditor or, in any county where tax statements are mailed by

the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. Such publication and mailing shall be no less than two weeks prior to such meeting of the council. Except as to the owners of tax exempt property or property taxes on a gross earnings basis, every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived such mailed notice unless he has requested in writing that the county auditor or county treasurer, as the case may be, include his name on the records for such purpose. Such notice shall state the date, time, and place of such meeting, the general nature of the improvement, the area proposed to be assessed, that the proposed assessment roll is on the file with the clerk, and that written or oral objections thereto by any property owner will be considered. *No appeal may be taken as to the amount of any assessment adopted pursuant to subdivision 2, unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing.* The notice shall also state that an owner may appeal an assessment to district court pursuant to section 429.081 by serving notice of the appeal upon the mayor or clerk of the municipality within 20 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk. The notice shall also inform property owners of the provisions of sections 435.193 to 435.195 and the existence of any deferment procedure established pursuant thereto in the municipality.

Sec. 2. Minnesota Statutes 1978, Section 429.061, Subdivision 2, is amended to read:

Subd. 2. [ADOPTION; INTEREST.] At such meeting or at any adjournment thereof the council shall hear and pass upon all objections to the proposed assessment, whether presented orally or in writing. The council may amend the proposed assessment as to any parcel and by resolution adopt the same as the special assessment against the lands named in the assessment roll. Notice of any adjournment of the hearing shall be adequate if the minutes of the meeting so adjourned show the time and place when and where the hearing is to be continued, or if three days notice thereof be published in the newspaper.

The council may consider any objection to the amount of a proposed assessment as to a specific parcel of land at an adjourned hearing upon further notice to the affected property owner as it deems advisable. At the adjourned hearing the council or a committee of it may hear further written or oral testimony on behalf of the objecting property owner and may consider further written or oral testimony from appropriate city officials and other witnesses as to the amount of the assessment. The council or committee shall prepare a record of the proceedings at the adjourned hearing and written findings as to the amount of the assessment. The amount of the assessment as finally determined

by the council shall become a part of the adopted assessment roll. All objections to the assessments not received at the assessment hearing in the manner prescribed by this section are waived, unless the failure to object at the assessment hearing is due to a reasonable cause.

The assessment, with accruing interest, shall be a lien upon all private and public property included therein, from the date of the resolution adopting the assessment, concurrent with general taxes; but the lien shall not be enforceable against public property as long as it is publicly owned, and during such period the assessment shall be recoverable from the owner of such property only in the manner and to the extent provided in section 435.19. Except as provided below, all assessments shall be payable in equal annual installments extending over such period, not exceeding 30 years, as the resolution determines, payable on the first Monday in January in each year, but the number of installments need not be uniform for all assessments included in a single assessment roll if a uniform criterion for determining the number of installments is provided by the resolution. The first installment of each assessment shall be included in the first tax rolls completed after its adoption and shall be payable in the same year as the taxes contained therein; except that the payment of the first installment of any assessment levied upon unimproved property may be deferred until a designated future year, or until the platting of the property or the construction of improvements thereon, upon such terms and conditions and based upon such standards and criteria as may be provided by resolution of the council. In any event, every assessment the payment of which is so deferred, when it becomes payable, shall be divided into a number of installments such that the last installment thereof will be payable not more than 30 years after the levy of the assessment. All assessments shall bear interest at such rate as the resolution determines, not exceeding eight percent per annum, except that the rate may in any event equal the average annual interest rate on bonds issued to finance the improvement for which the assessments are levied. To the first installment of each assessment shall be added interest on the entire assessment from a date specified in the resolution levying the assessment, not earlier than the date of the resolution, until December 31 of the year in which the first installment is payable, and to each subsequent installment shall be added interest for one year on all unpaid installments; or alternatively, any assessment may be made payable in equal annual installments including principal and interest, each in the amount annually required to pay the principal over such period with interest at such rate as the resolution determines, not exceeding the maximum period and rate specified above. In the latter event no prepayment shall be accepted under subdivision 3 without payment of all installments due to and including December 31 of the year of prepayment, together with the original principal amount reduced only by the amounts of principal included in such installments, computed on an annual amortization basis. When payment of an assessment is deferred, as authorized in this subdivision, interest there-

on for the period of deferment may be made payable annually at the same times as the principal installments of the assessment would have been payable if not deferred; or interest for this period may be added to the principal amount of the assessment when it becomes payable; or, if so provided in the resolution levying the assessment, interest thereon to December 31 of the year before the first installment is payable may be forgiven.

Sec. 3. Minnesota Statutes 1978, Section 429.081, is amended to read:

429.081 [APPEAL TO DISTRICT COURT.] Within 30 days after the adoption of the assessment, any person aggrieved, *who is not precluded by failure to object prior to or at the assessment hearing, or whose failure to so object is due to a reasonable cause*, may appeal to the district court by serving a notice upon the mayor or clerk of the municipality. The notice shall be filed with the clerk of the district court within ten days after its service. The municipal clerk shall furnish appellant a certified copy of objections filed in the assessment proceedings, the assessment roll or part complained of, and all papers necessary to present the appeal. The appeal shall be placed upon the calendar of the next general term commencing more than five days after the date of serving the notice and shall be tried as other appeals in such cases. The court shall either affirm the assessment or set it aside and order a reassessment as provided in section 429.071, subdivision 2. If appellant does not prevail upon the appeal, the costs incurred shall be taxed by the court and judgment entered therefor. All objections to the assessment shall be deemed waived unless presented on such appeal. This section provides the exclusive method of appeal from a special assessment levied pursuant to this chapter.

ARTICLE XII

REVENUE RECAPTURE ACT

Section 1. [CITATION.] *This article may be cited as the "revenue recapture act".*

Sec. 2. [PURPOSE.] *The purpose of this article is to establish a system of collecting debts owed to state government by applying any of the debtor's tax refunds to the amount of his debt. To further this purpose a policy of cooperation is established between the department of revenue and claimant agencies in identifying individuals who both owe a claimant agency money and qualify for a tax refund.*

Sec. 3. [DEFINITIONS.] *Subdivision 1. For purposes of sections 1 to 14, the terms defined in this section have the meanings given them.*

Subd. 2. "Claimant agency" means any state agency, as defined by Minnesota Statutes, Section 15.0411, Subdivision 2, and public agency responsible for child support enforcement.

Subd. 3. "Commissioner" means the commissioner of revenue.

Subd. 4. "Debtor" means a natural person obligated on a debt to a claimant agency.

Subd. 5. "Debt" means a legal obligation of a natural person to pay a fixed and certain amount of money, which equals or exceeds \$25 and which is due and payable to a claimant agency. A debt may arise under a contractual or statutory obligation, a court order, or other legal obligation, but need not have been reduced to judgment. A debt does not include any legal obligation of a current recipient of assistance which is based on overpayment of an assistance grant.

Subd. 6. "Department" means the department of revenue.

Subd. 7. "Refund" means an individual income tax refund, pursuant to Minnesota Statutes, Chapter 290, or a property tax credit or refund, pursuant to chapter 290A.

Sec. 4. [AGENCY PARTICIPATION.] Subdivision 1. The collection remedy under this section is in addition to and not in substitution for any other remedy available by law.

Subd. 2. Any debt owed to a claimant agency shall be submitted by the agency for collection under the procedure established by sections 1 to 14 unless (a) an alternative means of collection is pending and believed to be adequate, (b) the collection attempt would result in a loss of federal funds, or (c) the agency is unable to supply the department with the necessary identifying information required by subdivision 3 or rules promulgated by the commissioner.

Subd. 3. For each debt submitted, the claimant agency shall provide the commissioner with the name and social security number of the debtor and any other identifying information required by rules promulgated by the commissioner.

Subd. 4. Whenever possible, a claimant agency shall obtain the identifying information required by subdivision 3 from any individual for whom the agency provides any service or transacts any business and who the claimant agency can foresee may become a debtor of the claimant agency.

Sec. 5. [MINIMUM SUM COLLECTIBLE.] The minimum sum which a claimant agency may collect through use of the set-off procedure is \$25.

Sec. 6 [COLLECTION OF DEBTS THROUGH SET-OFF.] Subject to the limitations of sections 1 to 14, the department shall, upon request by a claimant agency, render assistance in the collection of any debt owing to the agency. This assistance shall be provided by use of a procedure in which the sum of the refund due the debtor is applied to the amount due and owing from the debtor to the claimant agency.

Sec. 7. [PROCEDURE FOR SET-OFF COLLECTION.]
Subdivision 1. [NOTIFICATION REQUIREMENT.] On or before December 15 any claimant agency, seeking collection of a debt through set-off against a refund due in the succeeding year, shall submit to the commissioner information indicating the amount of each debt and information identifying the debtor, as required by section 4, subdivision 3. Subject to the notification deadline specified above, the notification shall be effective only to initiate set-off for claims against refunds that would be made in the calendar year subsequent to the year in which notification is made to the commissioner.

Subd. 2. [SET-OFF PROCEDURES.] (a) The commissioner, upon receipt of notification, shall initiate procedures to detect any refunds otherwise payable to the debtor. When the commissioner determines that a refund is due to a debtor whose debt was submitted by a claimant agency, the commissioner shall remit the refund or the amount claimed, whichever is less, to the agency. In transferring or remitting moneys to the claimant agency, the commissioner shall provide information indicating the amount applied against each debtor's obligation and the debtor's address listed on the tax return.

(b) The commissioner shall remit to the debtor the amount of any refund due in excess of the debt submitted for set-off by the claimant agency. Notice of the amount set-off and address of the claimant agency shall accompany any disbursement to the debtor of the balance of a refund.

Subd. 3. [DEPOSIT OF FUNDS.] Any amounts remitted or transferred to state agencies shall be deposited as provided in Minnesota Statutes, Section 16A.72.

Subd. 4. [EFFECT OF TRANSFER OR PAYMENT.] Transfer or remittance of funds to a claimant agency pursuant to this section constitutes payment of the department's obligation to refund the sums as overpayments of taxes or property tax credits or refunds. Any action for the set-off funds shall be made against the claimant agency pursuant to section 9.

Subd. 5. [INTEREST ON REFUNDS.] Any refund wrongfully or incorrectly applied to a debt and transferred to a claimant agency shall be paid by the agency to the debtor. The sum wrongfully or incorrectly withheld shall bear interest at six

percent per year, computed from the date when the refund would begin to bear interest under Minnesota Statutes, Section 290.92, Subdivision 13, Clause (1), regardless of whether the refund is payable under Minnesota Statutes, Chapter 290 or 290A. If the claimant agency is a state agency, the payment shall be made out of the agency's appropriation.

Sec. 8. [NOTICE AND HEARING REQUIRED.] *Subdivision 1. Not later than five days after the claimant agency has sent notification to the department pursuant to section 7, subdivision 1, the claimant agency shall send a written notification to the debtor asserting the right of the claimant agency to the refund or any part thereof.*

Subd. 2. (a) This written notice shall clearly set forth the basis for the claim to the refund and, further, shall advise the debtor of the claimant agency's intention to request set-off of the refund against the debt.

(b) The notice will also advise the debtor of his right to contest the validity of the claim at a hearing. The debtor must assert this right by written request to the claimant agency, which request the agency must receive within 45 days of the mailing date of the original notice, as required by subdivision 1.

Sec. 9. [CONTESTED CLAIMS PROCEDURE.] *Subdivision 1. If a claimant agency, except for a public agency responsible for child support enforcement, receives written notice of a debtor's intention to contest at hearing the claim upon which the intended set-off is based, it shall initiate a hearing according to contested case procedures established in the state administrative procedure act not later than 30 days after receipt of the debtor's request for a hearing. The public agency responsible for child support enforcement shall provide for hearing in the manner prescribed by Minnesota Statutes, Section 256.045.*

Subd. 2. No issue may be raised at the hearing which has been previously litigated. If a debt is based on a court judgment or court order, the hearing required by subdivision 1 need not, but may be granted at the sole discretion of the commissioner of the claimant agency.

Sec. 10. [PRIORITY OF CLAIMS.] *If two or more debts, in a total amount exceeding the debtor's refund, are submitted for set-off, the priority of payment shall be as follows: First, any delinquent tax obligations of the debtor which are owed to the department shall be satisfied. Secondly, the refund shall be applied to the remaining debts based on the order in time in which the commissioner received the debts.*

Sec. 11. [DATA PRIVACY.] *Notwithstanding Minnesota Statutes, Sections 290.61 and 290A.17, private and confidential*

data on individuals may be exchanged among the department, the claimant agency, and the debtor as necessary to accomplish and effectuate the intent of sections 1 to 14, as provided by Minnesota Statutes, Section 15.163, Subdivision 4, Clause (b). The department may disclose to the claimant agency only the debtor's name, address, social security number and the amount of the refund. Any person employed by, or formerly employed by, a claimant agency who discloses any such information for any other purpose, shall be subject to the civil and criminal penalties of Minnesota Statutes, Sections 15.167 and 290.61.

Sec. 12. [RULES.] *The commissioner is authorized to develop and to require the use of any necessary forms. The commissioner or a claimant agency is authorized to make any rules necessary to effectuate the purposes of sections 1 to 14. Pursuant to this authority, temporary rules may be adopted pursuant to Minnesota Statutes, Section 15.0412, Subdivision 5.*

Sec. 13. [APPROPRIATION.] *A sum sufficient is appropriated from the general fund to the commissioner of revenue for the purpose of administering this article. This appropriation shall be available until June 30, 1981.*

Sec. 14. [EFFECTIVE DATE.] *Sections 1 to 14 are effective for tax refunds payable after December 31, 1980.*

ARTICLE XIII

TRANSPORTATION

Section 1. Minnesota Statutes, 1979 Supplement, Section 473.446, Subdivision 1, is amended to read:

473.446 [TRANSIT TAX LEVIES.] Subdivision 1. [AMOUNT.] *For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined (HEREIN) in this section, a transit tax consisting of:*

(a) *An amount (EQUAL TO 1.72) not to exceed 2.0 mills times the assessed value of all such property, the proceeds of which shall be used for payment of the expenses of operating regular route bus service;*

(b) *An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and*

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued pursuant to section 473.436 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

Sec. 2. [JOINT COMMUTER RAIL STUDY COMMISSION.] *Subdivision 1. A joint commuter rail study commission is established for the purpose of conducting a feasibility study for the development of commuter rail transit service between the St. Cloud metropolitan area and the Minneapolis-St. Paul metropolitan area.*

Subd. 2. The commission consists of eleven members as follows:

(a) *one member of the St. Cloud transit commission appointed by that commission;*

(b) *one member of the St. Cloud area planning organization appointed by the chairperson of that organization;*

(c) *two members of the metropolitan council appointed by that council;*

(d) *two members of region 7W;*

(e) *two members of the house of representatives whose districts will contain a portion of the affected corridor, to be appointed by the speaker of the house;*

(f) *two members of the senate whose districts will contain a portion of the affected corridor, to be appointed by the president of the senate;*

(g) *the commissioner of the department of transportation or his designee, who shall be chairman of the commission.*

Subd. 3. The joint commission shall report its findings and recommendations to the legislature on or before January 1, 1982. The report shall cover, but not be limited to, the issues of available corridors and rights-of-way, define necessary physical improvements, make potential ridership projections, and make recommendations for funding of capital and operating costs.

Subd. 4. The sum of \$50,000 is appropriated to the department of transportation from the general fund for the purposes of this section. The sum is available the day after final enactment and until January 1, 1982.

Subd. 5. This section is repealed January 1, 1982.

Sec. 3. [FEASIBILITY STUDY OF LIGHT RAIL TRANSIT IN METROPOLITAN AREA.] *The sum of \$150,000 is appropriated from the general fund to the metropolitan council established by Minnesota Statutes, Section 473.123. The council shall conduct a feasibility study of the use of light rail transit in the metropolitan area. The sum is available the day after final enactment and until June 1, 1981.*

The study shall:

(a) *define major operational characteristics of a light rail transit system in selected corridors;*

(b) *quantify capital and operating costs;*

(c) *evaluate the interface of the light rail transit system with other transit systems;*

(d) *evaluate the impact of the light rail transit system on land-use and urban development;*

(e) *evaluate the impact of the light rail transit system on energy and the environment;*

(f) *compare light rail transit with diesel and electric driven buses and multipassenger alternatives;*

(g) *identify available sources of funds from federal, state, local, private and other sources; and,*

(h) *identify the conditions necessary for light rail transit to be feasible in the metropolitan area.*

Findings and recommendations shall be presented to the seventy-second session of the legislature.

Sec. 4. [EFFECTIVE DATE.] *Section 1 is effective for taxes levied in 1980 and thereafter, payable in 1981 and thereafter. Sections 2 and 3 are effective the day after final enactment.*

ARTICLE XIV

STATE INVESTMENT BOARD

Section 1. [11A.01] [STATEMENT OF PURPOSE.] *The purpose of sections 1 to 23 is to establish standards which will insure that state and pension assets subject to this legislation will be responsibly invested to maximize the total rate of return without incurring undue risk.*

Sec. 2. [11A.02] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 23, the terms defined in this section shall have the meanings given them.*

Subd. 2. "State board" means the Minnesota state board of investment created by Article XI, Section 8 of the constitution of the state of Minnesota for the purpose of administering and directing the investment of all state funds and pension funds.

Subd. 3. "Council" means the investment advisory council created by section 6.

Subd. 4. "Fund" means any of the individual funds, including but not limited to the permanent school fund, general fund of the state, retirement funds and other funds and accounts for which the state board has responsibilities.

Subd. 5. "Director" means the executive director of the state board.

Subd. 6. "Management" means the performance or delegation of general management duties relating to any fund established pursuant to this chapter.

Sec. 3. [11A.03] [STATE BOARD; MEMBERSHIP; ORGANIZATION.] *Pursuant to Article XI, Section 8, of the constitution of the state of Minnesota, the state board shall be composed of the governor, state auditor, state treasurer, secretary of state and attorney general. The governor shall serve as ex officio chairman of the state board.*

Sec. 4. [11A.04] [DUTIES AND POWERS.] *The state board shall:*

(1) *Act as trustees for each fund for which it invests or manages moneys in accordance with the standard of care set forth in section 7.*

(2) *Formulate policies and procedures deemed necessary and appropriate to carry out its functions. Procedures adopted by the board shall allow fund beneficiaries and members of the public to become informed of proposed board actions. Procedures and policies of the board shall not be subject to the administrative procedure act.*

(3) *Employ an executive director as provided in section 5.*

(4) *Employ investment advisors and consultants as it deems necessary.*

(5) *Prescribe policies concerning personal investments of all employees of the board to prevent conflicts of interest.*

(6) *Maintain a record of its proceedings.*

(7) *As it deems necessary, establish advisory committees subject to the provisions of Minnesota Statutes, Section 15.059 to assist the board in carrying out its duties.*

(8) *Not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or his agent.*

(9) *Direct the state treasurer to sell property other than money which has escheated to the state when the board determines that sale of the property is in the best interest of the state. Escheated property shall be sold to the highest bidder in the manner and upon terms and conditions prescribed by the board.*

(10) *Undertake any other activities necessary to implement the duties and powers set forth in this section.*

(11) *Establish a formula or formulas to measure management performance and return on investment. All public pension funds in the state shall utilize the formula or formulas developed by the state board.*

Sec. 5. [11A.07] [EXECUTIVE DIRECTOR.] *Subdivision 1. [SELECTION.] The state board shall select an executive director.*

Subd. 2. [QUALIFICATIONS.] The director of the state board shall be well qualified by training to administer and invest the money available for investment and possess experience in the management of institutional investment portfolios. The director shall be in the unclassified state service and serve at the pleasure of the state board.

Subd. 3. [CONFIRMATION.] The employment of the director shall be subject to the advice and consent of the senate in the same manner as the appointment of executive officers is confirmed by the senate.

Subd. 4. [DUTIES AND POWERS.] The director, at the direction of the state board, shall:

(1) *Plan, direct, coordinate and execute administrative and investment functions in conformity with the policies and directives of the state board.*

(2) *Employ such professional and clerical staff as is necessary within the complement limits established by the legislature. These employees shall be in the unclassified service of the state.*

(3) Report to the state board on all operations under his control and supervision.

(4) Maintain accurate and complete records of securities transactions and official activities.

(5) Purchase and sell all securities on the basis of competitive offerings or bids received from at least two firms known to specialize in the securities being traded and likely to position these securities in relevant quantities. Competitive bidding shall not be required when the securities to be traded are: listed or traded on a major United States exchange, bound by underwriting restrictions or classified as private placements and offered only to a limited number of institutional investors.

(6) Cause all securities acquired to be kept in the custody of the state treasurer or such other depositories as the state board deems appropriate.

(7) Prepare and file with the director of the legislative reference library on or before November 15 of each year, a report summarizing the activities of the state board, the council and the director during the preceding fiscal year. The report shall be prepared so as to provide the legislature and the people of the state with a clear, comprehensive summary of the portfolio composition, the transactions, the total annual rate of return and the yield to the state treasury and to each of the funds whose assets are invested by the state board, and the recipients of business placed or commissions allocated among the various commercial banks, investment bankers and brokerage organizations. This report shall contain financial statements for funds managed by the board prepared in accordance with generally accepted accounting principles.

(8) Require state officials from any department or agency to produce and provide access to any financial documents the state board deems necessary in the conduct of their investment activities.

(9) Receive and expend legislative appropriations.

(10) Undertake any other activities necessary to implement the duties and powers set forth in this subdivision.

Sec. 6. [11A.08] [INVESTMENT ADVISORY COUNCIL.]
Subdivision 1. [MEMBERSHIP.] There is created an investment advisory council consisting of ten members who are experienced in general investment matters and who shall be appointed by the state board, the commissioner of finance and the executive directors of each of the following: the Minnesota state retirement system, the public employees retirement association,

the teachers retirement association and the Minneapolis municipal employees retirement fund.

Subd. 2. [DUTIES AND POWERS.] The council shall:

(1) Advise the state board and the director on general policy matters relating to investments;

(2) Advise the state board and the director on methods to improve the rate of return on invested money while insuring adequate security for that money;

(3) Advise the state board and the director on the form and content of the report required by section 5, subdivision 4, clause (7), so that the report clearly and objectively discloses the investment activities of the state board and the director;

(4) Perform other tasks of an advisory nature as requested by the state board.

Subd. 3. [OFFICERS; MEETINGS.] The council shall annually elect a chairman and vice chairman from among its members, and may elect other officers as necessary. The council shall meet at least every other month and upon the call of the chairman of the council or the chairman of the state board.

Subd. 4. [TERMS; COMPENSATION; REMOVAL; VACANCIES.] The membership terms, compensation and removal of members appointed by the state board, and filling of vacancies of such members shall be as provided in Minnesota Statutes, Section 15.059 except that council members shall not receive a per diem.

Subd. 5. [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 arising out of the performance of the member's duties, except an action brought by the state or agency thereof arising from the failure of a council member to perform duties in the manner prescribed in section 7.

Subd. 6. [CONFLICT OF INTEREST; ECONOMIC INTEREST STATEMENT.] No member of the council may participate in deliberations or vote on any matter before the council which will or is likely to result in direct, measurable economic gain to the member. Additionally, no member of the council appointed by the state board may participate in deliberations or vote on any matter before the council which will or is likely to result in direct, measurable economic gain to his employer. Members of the council shall file with the board of ethical practices an

economic interest statement in a manner as prescribed by Minnesota Statutes, Section 10A.09, Subdivisions 5 and 6.

Sec. 7. [11A.09] [STANDARD OF CARE.] *In the discharge of their respective duties, the members of the state board, director, board staff, members of the council and any other person charged with the responsibility of investing money pursuant to the standards set forth in sections 1 to 23 shall act in good faith and shall exercise that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom.*

Sec. 8. [11A.10] [DUTIES OF OTHER OFFICIALS.]
Subdivision 1. [CUSTODY OF SECURITIES.] *The state treasurer and other custodians of securities belonging to the various funds shall provide in the appropriate cases the state board and its delegates with reasonable access thereto. Each security shall be held as an asset of the fund from which the investment expenditure was made.*

Subd. 2. [ESCHEATED PROPERTY.] *The commissioner of finance shall report immediately to the state board all personal property other than money received by the state of Minnesota as escheated property. If the state board elects to sell escheated property, all moneys received from the sale shall be credited to the general fund of the state.*

Subd. 3. [AUDITS.] *State audits of the activities of the state board and its delegates shall be conducted by the legislative auditor.*

Subd. 4. [OFFICE SPACE.] *The commissioner of administration shall provide the director and staff with suitable office and storage space in the state capitol complex as near as practicable to the office of the state treasurer.*

Sec. 9. [11A.11] [INVESTMENT AND EXPENSE APPROPRIATION.] *There is appropriated to the state board annually, and from time to time, the various moneys as are available for investment in the various funds subject to their supervision and control, for the purposes of the purchase, sale, exchange and lending of securities, reinvestment activities, payment of the execution expenses of securities transactions, amortization of premiums or accumulation of discounts, and contribution and redemption of participation in the funds.*

Sec. 10. [11A.12] [GAINS AND LOSSES; DISPOSITION:] *All interest and profit accruing from and all losses incurred by investment activity shall be credited to or borne by the fund from which the investment was made.*

Sec. 11. [11A.13] [ASSETS AND DOCUMENTATION.] Subdivision 1. [LEGAL TITLE TO FUND ASSETS.] *Legal title to the assets of state funds to be invested by the state board shall be in the state of Minnesota, or its nominees. Legal title to pension funds to be invested by the state board shall be in the state board, or its nominees, as trustees for any person having a beneficial interest in the applicable fund subject to the rights of the particular funds maintaining shares, investment participation or units in the accounts to their credit.*

Subd. 2. [RIGHTS OF EMPLOYEES; VALIDITY OF DOCUMENTATION.] *The rights of any public employee to any assets in the retirement funds shall be as fixed by the law or laws authorizing or requiring a retirement fund to purchase or order the redemption of investment participations or units on behalf of the public employee. The state board may rely on the documents, forms and applications of the various retirement funds which accompany money for investment or orders to redeem assets as being made in concert with the applicable law and with the rights of the public employees concerned. Accordingly, the state board need not inquire into the legality or validity of any documents, forms and applications.*

Sec. 12. [11A.14] [MINNESOTA COMBINED INVESTMENT FUND.] Subdivision 1. [ESTABLISHMENT.] *There is hereby established a Minnesota combined investment fund for the purpose of providing an investment vehicle for assets of the participating funds. The combined fund shall consist of the following investment accounts: a cash management account and an equity account.*

Subd. 2. [ASSETS.] *The assets of the combined investment fund shall consist of the moneys certified to and received by the state board from participating retirement plans and funds which shall be used to purchase investment shares in the appropriate investment accounts. Each participating fund shall own an undivided participation in all the assets of the combined fund. As of any date, the total claim of a participating fund on the assets in each account shall be equal to the ratio of units owned by a fund in each account to the total issued units then outstanding.*

Subd. 3. [MANAGEMENT.] *The combined investment fund shall be managed by the state board.*

Subd. 4. [INVESTMENTS.] *The assets of the combined investment fund shall be invested by the state board subject to the provisions of section 22 with the following exceptions:*

(a) *The cash management account shall be invested in fixed-income obligations with maturities of less than three years.*

(b) *The equity account may be completely invested in corporate stocks.*

Subd. 5. [PARTICIPATING PUBLIC RETIREMENT PLANS OR FUNDS.] The following public retirement plans and funds shall participate in the Minnesota combined investment fund:

(1) State employees retirement fund established pursuant to Minnesota Statutes, Chapter 352;

(2) Correctional employees retirement plan established pursuant to Minnesota Statutes, Chapter 352;

(3) Highway patrol retirement fund established pursuant to Minnesota Statutes, Chapter 352B;

(4) Public employees retirement fund established pursuant to Minnesota Statutes, Chapter 353;

(5) Public employees police and fire fund established pursuant to Minnesota Statutes, Chapter 353;

(6) Teachers retirement fund established pursuant to Minnesota Statutes, Chapter 354;

(7) Judges retirement fund established pursuant to Minnesota Statutes, Chapter 490; and

(8) Any other fund required by law to participate.

Subd. 6. [INITIAL TRANSFER OF ASSETS.] As of July 1, 1980, or a later date as determined by the state board, the participating funds shall transfer to the combined investment fund all appropriate securities then held together with cash necessary for the purchase of even units in the combined fund accounts.

Subd. 7. [INITIAL VALUATION OF ASSETS AND UNITS.] All assets transferred to the Minnesota combined investment fund shall be valued at their current market value as determined by the state board, including accrued interest. The initial value of each account unit shall be \$1,000 with each participating fund allocated units in the various accounts of the Minnesota combined investment fund in the same proportion as their assets are to the total assets in each account.

Subd. 8. [UNREALIZED APPRECIATION (DEPRECIATION) ACCOUNT.] Any unrealized gains or losses in the value of investments incurred by a transferring fund shall be recorded in an unrealized appreciation (depreciation) account which is hereby created. Any future unrealized gains or losses shall also be recorded in this account at the close of each fiscal year.

Subd. 9. [VALUATION OF UNITS.] (1) Valuation of units for the equity account in the Minnesota combined investment fund shall be performed as of the last business day of each month, or more frequently should the state board determine that additional valuation dates are necessary. Valuation of units for the cash management account in the Minnesota combined investment fund shall be performed daily for every business day.

(2) The value of a unit for each account shall be determined by the following procedure:

(a) As of the close of business on the valuation date the state board shall determine the fair market value of each asset in each account, using the references, pricing services, consultants, or other methods as the state board deems appropriate.

(b) The sum total of the market value of all securities plus cash, less the value of undistributed income in each account, shall be divided by the number of units issued and outstanding for the account to determine the value per account unit.

Subd. 10. [PURCHASE AND REDEMPTION OF UNITS.] Purchase and redemption of units shall be on the first business day following the valuation date. All transactions shall be at the unit value as established on the immediately preceding valuation date. Except for the initial purchase of units by an authorized participant, all purchases and redemptions shall be made in cash unless the state board determines that an exception is necessary.

Subd. 11. [EARNINGS DEFINED.] Investment earnings shall be the sum total of the following of each account:

(1) Dividends receivable on securities trading ex-dividend up to and including the valuation date.

(2) Cash dividends received to and including the valuation date that were not accounted for on a previous valuation date.

(3) Accrued interest to and including the valuation date.

(4) Interest received which had not been accrued and accounted for on a prior valuation date.

(5) Income from the sale of options, rights, warrants, or security lending.

(6) Other income received to and including the valuation date.

Subd. 12. [DISTRIBUTION OF EARNINGS.] At least once each month the state board shall distribute to each partici-

part net earnings determined proportionately in accordance with their average unit holdings in each account during the period. Unless otherwise directed by the participating fund, any distributions shall be used to purchase additional units in the accounts.

Subd. 13. [RECORDS REQUIRED.] The executive director of the state board shall keep accounting records. The records shall reflect the number of units in the Minnesota combined investment fund owned by each participating fund. No certificates or other evidence of ownership shall be required.

Subd. 14. [REPORTS REQUIRED.] As of each valuation date, or as often as the state board determines, each participant shall be informed of the number of units owned and the current value of the units. Annually, the state board shall provide to each participant, financial statements prepared in accordance with generally accepted accounting principles.

Sec. 13. [11A.15] [STATE BOND FUND.] Subdivision 1. [ESTABLISHMENT.] Pursuant to Article XI, Section 7, of the constitution of the state of Minnesota, there is hereby established a state bond fund for the purpose of the timely payment of principal and interest on bonds for which the full faith and credit of the state has been pledged. The state bond fund shall be a continuation of the state bond fund in existence on January 1, 1980.

Subd. 2. [ASSETS.] Any money appropriated to the state bond fund, any income arising from the invested assets of the state bond fund which is not immediately required to pay the principal or interest on state bonds and any proceeds arising from the sale of any securities in the state bond fund shall constitute the assets of the state bond fund.

Subd. 3 [MANAGEMENT.] The state bond fund shall be managed by the state treasurer who shall, from time to time, certify to the state board those portions of the state bond fund which in the judgment of the state treasurer are not required for immediate use.

Subd. 4. [INVESTMENT.] the state board shall invest assets of the state bond fund subject to the provisions of section 23.

Subd. 5. [WITHDRAWAL OF ASSETS.] Securities sufficient to equal the amount of money certified by the state treasurer as necessary to pay the principal or interest due on state bonds in excess of any cash on hand shall be sold at the request of the state treasurer and the certified amount of money shall be transferred to the state treasurer.

Subd. 6. [CREDIT OF INCOME TOWARDS SUBSEQUENT APPROPRIATIONS.] Notwithstanding provisions of

section 10, the net income of the state bond fund after the recovery of any losses from the sale of securities shall be deducted from the amount of any subsequent appropriations for the payment of principal and interest of state bonds.

Sec. 14. [11A.16] [PERMANENT SCHOOL FUND.] Subdivision 1. [ESTABLISHMENT.] Pursuant to Article XI, Section 8, of the constitution of the state of Minnesota, there is hereby established a permanent school fund which shall be a continuation of the permanent school fund in existence on January 1, 1980.

Subd. 2. [ASSETS.] The permanent school fund shall consist of the proceeds derived from the school lands, the swamp lands and the internal improvement lands granted to the state and all cash and investments credited to the permanent school fund, to the swamp land fund and to the internal improvement land fund.

Subd. 3. [MANAGEMENT.] The permanent school fund shall be managed by the commissioner of finance.

Subd. 4. [INVESTMENT.] The permanent school fund shall be invested by the state board in the following securities as directed by Article XI, Section 8 of the constitution of the state of Minnesota:

(a) Interest bearing fixed income securities of the United States and its agencies, including securities fully guaranteed by the United States, bonds of Minnesota or its political subdivisions or agencies, or of other states but not more than 50 percent of any issue by a political subdivision;

(b) Stocks of corporations with cash dividends paid from earnings for the five consecutive years prior to purchase, but not more than 20 percent of the fund shall be invested therein nor more than one percent in stock of any one corporation, nor more than five percent of the voting stock of any one corporation shall be owned;

(c) Bonds of corporations whose earnings have been at least three times the interest requirements on outstanding bonds for five consecutive years or longer immediately prior to purchase, but not more than 40 percent of the fund shall be so invested;

(d) The percentages referred to above shall be computed using the cost price of the stocks or bonds.

Subd. 5. [CALCULATION OF INCOME.] As of the end of each fiscal year, the state board shall calculate the investment income earned by the permanent school fund. The investment

income earned by the fund shall equal the amount of interest on debt securities and dividends on equity securities. If the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered from interest and dividend income in equal installments over a period equal to (a) the average period prior to maturity remaining on the debt securities which were sold if the sale of debt securities resulted in the loss, or (b) over a period of five years if the sale of equity securities resulted in the loss unless there is a net gain in the sale of securities sufficient to eliminate the amount of the loss prior to the end of the period. In any fiscal year in which gains on the sale of securities exceed the losses on the sales of securities, the excess shall be added to the principal of the fund.

Subd. 6. [DISPOSITION OF INCOME.] Notwithstanding provisions of section 10, the income of the permanent school fund as calculated pursuant to subdivision 5, shall be credited to the permanent school fund, and transferred to the school endowment fund as needed for payments made pursuant to Minnesota Statutes, Section 124.08.

Sec. 15. [11A.17] [MINNESOTA SUPPLEMENTAL RETIREMENT INVESTMENT FUND.] Subdivision 1. [ESTABLISHMENT.] There is hereby established a supplemental retirement investment fund for the purpose of providing an investment vehicle for the assets of various public retirement plans and funds. This fund shall consist of three investment accounts: an income share account, a growth share account, and a fixed-return account. The supplemental retirement investment fund shall be a continuation of the supplemental retirement fund in existence on January 1, 1980.

Subd. 2. [ASSETS.] The assets of the supplemental retirement investment fund shall consist of the moneys certified and transmitted to the state board from the participating public retirement plans and funds and shall be used to purchase investment shares in the investment accounts specified by the plan or fund.

Subd. 3. [MANAGEMENT.] The supplemental retirement investment fund shall be managed by the state board.

Subd. 4. [INVESTMENT.] The assets of the supplemental retirement investment fund shall be invested by the state board subject to the provisions of section 22; provided, however, that the fixed-return account shall be invested entirely in debt obligations and the growth share account shall be invested as follows:

(a) Up to 100 percent of the book value may be invested in corporate stocks;

(b) Up to six percent of the book value may be invested in the stock of any one corporation;

(c) Up to ten percent of the book value may be invested in corporate stocks which do not conform with the dividend standard provided for in section 22.

Subd. 5. [PARTICIPATING PUBLIC RETIREMENT PLANS OR FUNDS.] Any public retirement plan or fund authorized or required by law to invest its assets in the supplemental retirement investment fund may from time to time as provided by law certify moneys to the state board for the purchase of investment shares in the investment accounts of the supplemental retirement investment account. The state board shall credit each purchase of investment shares to the appropriate participating public retirement plan or fund and shall confirm each purchase in writing to the appropriate plan or fund. Each participating public retirement plan or fund shall maintain adequate records to account for moneys certified to the supplemental retirement investment fund.

Subd. 6. [PARTICIPATION IN FUND.] Each public retirement plan or fund which has certified moneys to the state board for investment in the supplemental retirement investment fund shall have a participation in each investment account of the fund in which it has moneys invested. The participation shall be determined by the ratio of the number of shares credited to the public retirement plan or fund to the total number of shares in that account.

Subd. 7. [PURCHASE OF SHARES.] The state board shall allocate shares in the investment account or accounts at least monthly following the receipt of the funds for purchase of shares from the public retirement plan or fund as specified in the certification. The purchase price for shares shall be determined using the procedure specified in subdivision 9.

Subd. 8. [REDEMPTION OF SHARES.] The state board shall redeem shares in the investment account or accounts on the first business day after the valuation date next following the receipt of the request for redemption of shares from the public retirement plan or fund. The redemption value for shares shall be determined using the procedure specified in subdivision 9. Moneys representing the value of the redeemed shares shall be transmitted to the public retirement plan or fund making the request.

Subd. 9. [VALUATION OF INVESTMENT SHARES.] The value of investment shares in the income share investment account or in the growth share investment account shall be determined by dividing the total market value of the securities constituting the respective account by the total number of shares then outstanding in the investment account. Whenever the value of investment shares of an investment account has exceeded \$10 per share for a period of six consecutive months, each invest-

ment share in the investment account may be split at the direction of the board on a two new shares for one prior share basis. The value of investment shares in the fixed-return investment account shall be \$5 per share; provided, however, if the fixed-return investment account shares are redeemed by a public retirement fund where the shares are not attributable to the individual account of any person prior to the expiration of the multi-year period set by the board for the payment of the applicable assumed rate, the value of the investment shares shall be at market value. Terms as to withdrawal schedules will be agreed upon by the public retirement fund and the state board. Notwithstanding the provisions of section 10, the investment income earned by the fixed-return investment account shall be used to purchase additional shares on behalf of each participating public retirement plan or fund.

Subd. 10. [CERTIFICATIONS FOR INVESTMENT AND REQUESTS FOR REDEMPTION.] The state board may specify the required forms for certifications of moneys for investment and requests for redemption of investment shares and may require the filing of any other documents which it deems necessary.

Subd. 11. [PROSPECTUS.] Annually, on or before July 1, the state board shall prepare and shall issue a prospectus for the supplemental retirement investment fund with separate exhibits for each investment account. The exhibit for each account shall list for each security representing the current assets of the account the following items, whichever are applicable:

- (1) The purchase price of the security;
- (2) The current market value of the security;
- (3) The current dividend or interest rate of the security;
- (4) The rating of a debt security issued by a nationally recognized rating agency if it is other than a security issued or guaranteed by the United States government.

The prospectus shall set forth the statutory provisions governing the supplemental retirement investment account.

Sufficient copies of the prospectus shall be transmitted to each public retirement plan or fund participating in the supplemental retirement investment account to meet the plan or fund's distribution requirements. Ten copies of the prospectus shall be filed with the director of the legislative reference library.

Subd. 12. [RATE OF INTEREST FOR FIXED RETURN.] At the beginning of each fiscal year, the state board shall set an

assumed interest rate for moneys invested in the account during that year, with the rate applicable to all sums invested during that 12 month period. At the end of the 12 months, the state board may determine the period over which the an assumed rate is to apply to funds so invested, depending on the average yield and maturity of the securities purchased. Any earnings accrued to the account above the rate earlier indicated may be used to purchase additional shares on behalf of each participating public retirement plan or fund at fiscal year end after necessary reserves are established.

Sec. 16. [11A.18] [MINNESOTA POST-RETIREMENT INVESTMENT FUND.] Subdivision 1. [ESTABLISHMENT.] *There is hereby established a post-retirement investment fund for the purpose of providing an investment vehicle for the reserves for various retirement annuities and benefits payable by the participating retirement funds and plans. The post-retirement investment fund shall be a continuation of the Minnesota adjustable fixed benefit fund in existence on January 1, 1980.*

Subd. 2. [ASSETS.] *The assets of the post-retirement investment fund shall consist of the moneys representing the reserves for various retirement annuities and benefits payable by participating retirement funds and plans which have been certified to and received by the state board from the participating public retirement funds and plans.*

Subd. 3. [MANAGEMENT.] *The post-retirement investment fund shall be managed by the state board.*

Subd. 4. [INVESTMENT.] *The assets of the post-retirement investment fund shall be invested by the state board subject to the provisions of section 22.*

Subd. 5. [DEFERRED YIELD ADJUSTMENT ACCOUNT.] *There is hereby established a deferred yield adjustment account which shall be increased by the sale or disposition of any debt securities at less than book value and shall be decreased by the sale or disposition of debt securities at more than book value. At the end of each fiscal year, a portion of the balance of this account shall be offset against the investment income for that year. The annual portion of the balance to be offset shall be proportional to the reciprocal of the average remaining life of the bonds sold, unless the amounts are offset by gains on the future sales of these securities. The amount of this account shall be included in the recognized value of assets other than corporate stocks and all other equity investments. In any fiscal year in which the gains on the sales of debt securities exceed the discounts realized on the sales of such securities, the excess shall be used to reduce the balance of the account.*

Subd. 6. [PARTICIPATING PUBLIC RETIREMENT FUNDS OR PLANS.] Any public retirement fund or plan authorized by law to participate in the post-retirement investment fund shall no later than the commencement of a benefit payment from the post-retirement investment fund, certify and transfer to the state board moneys equal to the actuarially determined reserves required for those retirement annuities and benefits which are payable by the public retirement fund or plan and which are specified in law to be included in the participation in the fund. The state board shall confirm in writing each certification and transfer of moneys made by a participating public retirement fund or plan. Each participating public retirement fund or plan shall maintain adequate records to account for moneys transferred to the post-retirement investment fund.

Subd. 7. [PARTICIPATION IN FUND.] Each participating public retirement fund or plan which has transferred moneys to the state board for investment in the post-retirement investment fund shall have an undivided participation in the fund. The participation on any valuation date shall be determined by adding to the participation on the prior valuation date: (a) funds transferred in accordance with subdivision 6, (b) the amount of required investment income on its participation as defined in subdivision 9, clause (1)(c) and (c) the reserves for any benefit adjustment made as of the current valuation date with the result adjusted for any mortality gains or losses determined pursuant to subdivision 11.

Subd. 8. [WITHDRAWAL OF MONEYS.] Upon certification by the applicable executive director that a portion of the certified moneys representing the required reserves for various retirement annuities or benefits payable from the participating public retirement fund or plan are required for the payment of a retirement annuity or benefit, the state board shall sell sufficient securities or transfer sufficient available cash to equal the amount of money certified as required and shall order the transfer of that amount to the appropriate executive director.

Subd. 9. [CALCULATION OF POST-RETIREMENT ADJUSTMENT.] Annually, following June 30, the state board shall determine whether a post-retirement adjustment shall be payable and shall determine the amount of any post-retirement adjustment which shall be payable.

(1) The state board shall determine whether a post-retirement adjustment shall be payable using the following procedure:

(a) The state board shall determine the amount of dividends, interest, accruals and realized equity capital gains or losses applicable to the most recent fiscal year ending June 30;

(b) The participating public pension funds or plans shall determine the amount of reserves required for every annuitant and benefit recipient as of the current June 30. Every annuitant

or benefit recipient who has been receiving an annuity or benefit for at least one year as of the current June 30 shall be eligible to receive a post-retirement adjustment. Each fund shall report separately the amount of the reserves for those annuitants and benefit recipients who are eligible to receive a post-retirement benefit adjustment and those annuitants and benefit recipients who are not eligible to receive a post-retirement adjustment. The amount of the required reserves shall be certified to the board as soon as is practical following the current June 30;

(c) The state board shall determine the amount of investment income required to equal five percent of the required reserves as of the preceding June 30 adjusted by five percent of each transfer in or transfer out multiplied by the fraction of a year from the date of transfer to the current June 30. This amount of required investment income shall be subtracted from the actual amount of investment income determined pursuant to clause (1)(a), to determine the amount of excess investment income. If this amount is positive, then a post-retirement adjustment may be paid.

(2) The state board shall determine the amount of any post-retirement adjustment which is payable using the following procedure:

(a) The state board shall determine the amount of excess investment income by the method indicated in clause (1);

(b) The participating public pension funds and plans shall certify to the state board the total required reserves as of the first of January next following the end of the fiscal year for the annuitants and benefit recipients eligible to receive the post-retirement adjustment as determined by clause (1)(b);

(c) If the state board determines that the book value of the assets of the fund is less than an amount equal to 100 percent of the current June 30 required reserves, with the book value to be determined after the adjustments provided for in subdivision 11, then the board shall allocate 25 percent of the excess investment income as an asset of the fund. The remaining 75 percent will be termed available for distribution. The book value of assets on any given date shall be the cost of equity investments and the amortized cost of fixed income investments.

(d) The resulting total amount available for distribution shall be increased by two and one-half percent, and the result shall be stated as a percentage of the total required reserves pursuant to clause (2)(b), and if the percentage is equal to or greater than one percent, the amount shall be certified to each participating public pension fund or plan as the amount of the post-retirement adjustment. If the percentage is less than one percent, the amount shall be credited to a separate reserve established for this purpose. The reserve shall be invested in the same

manner as all other assets of the fund and shall be credited with any investment income as specified in clause (1)(a). Amounts credited to the reserve shall be utilized in determining a post-retirement adjustment in the subsequent year. The amount certified shall be carried to five decimal places and stated as a percentage.

Subd. 10. [PAYMENT OF POST-RETIREMENT ADJUSTMENT.] Upon receiving the certification of the amount of the post-retirement adjustment from the state board, each participating public pension fund or plan shall determine the amount of the post-retirement adjustment payable to each eligible annuitant and benefit recipient. The dollar amount of the post-retirement adjustment payable to each annuitant or benefit recipient shall be calculated by applying the certified post-retirement adjustment percentage to the amount of the monthly annuity or benefit payable to each eligible annuitant or benefit recipient. The post-retirement adjustment shall commence to be paid on January 1 following the calculations required pursuant to this section and shall thereafter be included in the monthly annuity or benefit paid to the recipient. Notwithstanding Minnesota Statutes, Section 356.18, any adjustment pursuant to this section shall be paid automatically unless the intended recipient files a written notice with the applicable participating public pension fund or plan requesting that the adjustment not be paid.

Subd. 11. [ADJUSTMENT FOR MORTALITY GAINS AND LOSSES.] As of June 30 annually, the actuary of each participating public pension fund or plan shall calculate the amount of required reserves representing any mortality gains and any mortality losses incurred by the fund or plan during the fiscal year. The actuary shall report separately the amount of the reserves for annuitants and benefit recipients who are eligible for a post-retirement benefit adjustment and the amount of reserves for annuitants and benefit recipients who are not eligible for a post-retirement benefit adjustment. If the net amount of required reserves represents a mortality gain, the participating public pension fund or plan shall certify that amount to the state board, which shall sell sufficient securities or transfer sufficient available cash to equal the amount of money certified. If the amount of required reserves represents a mortality loss, the participating public pension fund or plan shall transfer to the state board an amount equal to the amount of the net mortality loss. The amount of the transfers shall be determined before any post-retirement benefit adjustments have been made. All book values of the assets of the fund for the purposes of subdivision 9 shall be determined only after all adjustments for mortality gains and losses for the fiscal year have been made.

Subd. 12. [APPROPRIATION OF REQUIRED AMOUNTS.] All moneys necessary to meet the requirements of the certification of withdrawals and all moneys necessary to pay post-retirement adjustments pursuant to this section are

hereby and from time to time appropriated from the post-retirement investment fund to the state board.

Sec. 17. [11A.19] [VARIABLE ANNUITY INVESTMENT FUND.] *Subdivision 1. [ESTABLISHMENT.] There is hereby established a variable annuity investment fund for the purpose of providing an investment vehicle for the assets of the variable annuity program of the teachers retirement association. The variable annuity investment fund shall be a continuation of the variable annuity fund in existence on January 1, 1980.*

Subd. 2. [ASSETS.] The assets of the variable annuity investment fund shall consist of all cash and investments credited to the variable annuity program of the teachers retirement association.

Subd. 3. [MANAGEMENT.] The variable annuity investment fund shall be managed by the state board.

Subd. 4. [INVESTMENT.] The assets of the variable annuity investment fund shall be invested by the state board subject to the provisions of section 22 except that:

(a) Up to 100 percent of the book value may be invested in corporate stocks;

(b) Up to six percent of the book value may be invested in the stock of any one corporation;

(c) Up to ten percent of the book value may be invested in corporate stocks which do not conform with the dividend standard provided for in section 22, subdivision 5.

Subd. 5. [VALUATION OF FUND.] The variable annuity investment fund shall be valued by the state board bimonthly, using the closing market prices of the last business days of August, October, December, February, April and June of each fiscal year. The ratio of the total market value of investments to the admitted value of investments at the end of the preceding fiscal year, plus the cost of investments acquired, less the net receipts from investments sold during the fiscal year, shall be determined for each valuation date. The admitted value of the investments of the variable annuity investment fund at the end of each fiscal year shall be the book value of all investments held at that date multiplied by the average of the ratios at the 12 bimonthly valuation dates for the fiscal year and the immediately preceding fiscal year. The book value of investments during any fiscal year shall be the admitted value at the end of the preceding fiscal year or the cost of the investments if acquired during the fiscal year.

Subd. 6. [ACCOUNTING PROCEDURES.] Notwithstanding provisions of section 10, the following procedures shall be employed by the state board:

(1) The earnings from the investments of the variable annuity investment fund shall consist of dividends, interest and all other income derived from the investments and shall be determined on an accrual basis as of each bimonthly valuation date. The income shall be attributed to those funds in the account at the beginning of the bimonthly period. Earnings from investments shall not include changes in the admitted values of the investments.

(2) Any realized gain or loss shall be recorded in a realized appreciation account, and shall consist of the amount received on sale less the cost of the security. Unrealized gains or losses for any fiscal year shall be determined as provided in subdivision 5.

Subd. 7. [TOTAL ANNUAL INCREMENT OR DECREMENT.] The total annual increment or decrement for any one year shall be the sum of (a) the six bimonthly computations of earnings as computed under subdivision 6, clause (1); (b) total realized gains or losses for the fiscal year as computed under subdivision 6, clause (2), after adjusting for the approximate unrealized gain or loss evidenced for such securities in the admitted value; and (c) total unrealized gains or losses for the fiscal year as computed under subdivision 6, clause (2).

Subd. 8. [RATE OF RETURN.] The total annual increment or decrement divided by the admitted value of the assets of the Minnesota variable annuity fund, as computed pursuant to subdivision 5, shall be defined as the rate of return for the fiscal year. The rate of return is to be used as the percentage of increase or decrease which shall be credited to the individual member's account balances at the end of the fiscal year.

Sec. 18. [11A.20] [INVESTMENT OF STATE TREASURY FUNDS NOT CURRENTLY NEEDED.] Subdivision 1. [CERTIFICATION OF STATE TREASURY FUNDS NOT CURRENTLY NEEDED.] The state treasurer shall make a report to the commissioner of finance daily or at other times as the commissioner of finance shall determine of the funds in the state treasury together with any other information which the commissioner may prescribe. When there are funds in the state treasury over and above the amount that the commissioner of finance has advised the treasurer is currently needed, the state treasurer shall certify to the state board the amount thereof.

Subd. 2. [INVESTMENT.] The certified amount of state treasury funds not currently needed shall be invested by the state board subject to the provisions of section 23.

Subd. 3. [CREDITING OF INVESTMENT INCOME.] Notwithstanding provisions of section 10, all investment income and all investment losses attributable to the investment of state treasury funds not currently needed shall be credited to the general fund.

Sec. 19. [11A.21] [INVESTMENT OF HIGHWAY FUNDS.] Subdivision 1. [CERTIFICATION OF HIGHWAY FUNDS.] The commissioner of transportation shall certify to the state board those portions of the trunk highway fund established pursuant to Article XIV, Section 6 of the constitution of the state of Minnesota, the county state-aid highway fund established pursuant to Article XIV, Section 7 of the constitution of the state of Minnesota and the municipal state-aid street fund established pursuant to Article XIV, Section 8 of the constitution of the state of Minnesota which in the judgment of the commissioner are not required for immediate use.

Subd. 2. [INVESTMENT.] The certified amount of highway funds not currently needed shall be invested by the state board subject to the provisions of section 23.

Sec. 20. [11A.22] [STATE ZOOLOGICAL GARDEN OPERATING RECEIPTS INVESTMENT ACCOUNT.] Subdivision 1. [ESTABLISHMENT.] There is hereby established a zoological garden operating receipts investment account for the purpose of investing funds not required for immediate use.

Subd. 2. [CERTIFICATION OF RECEIPTS.] The state zoological garden board shall, from time to time, certify to the state board the amount of funds available for investment.

Subd. 3. [INVESTMENT.] Amounts certified to the state zoological garden operating receipts investment account shall be invested by the state board subject to the provisions of section 23.

Subd. 4. [CREDITING OF INVESTMENT INCOME.] Notwithstanding provisions of section 10, all investment income and all investment losses attributable to the investment of the account shall be credited to or borne by the state zoological garden general account.

Subd. 5. [WITHDRAWAL OF FUNDS.] Upon certification by the state zoological garden board that moneys in the state zoological garden operating receipts investment account are needed for current purposes, the state board shall sell sufficient securities to equal the amount of moneys certified as needed and shall order the transfer of the moneys to the state zoological garden general account.

Sec. 21. [11A.23] [INVESTMENT OF RETIREMENT FUNDS AND PLANS.] *Subdivision 1. [CERTIFICATION OF ASSETS NOT NEEDED FOR IMMEDIATE USE.] Each executive director administering a retirement fund or plan enumerated in subdivision 4 shall, from time to time, certify to the state board for investment those portions of the assets of the retirement fund or plan which in the judgment of the executive director are not required for immediate use. Assets of the fund or plan required for participation in the Minnesota post-retirement adjustment fund, the combined investment fund, the supplemental retirement investment fund or the variable annuity investment fund shall be transferred to those funds as provided by sections 1 to 23.*

Subd. 2. [INVESTMENT.] Retirement fund assets certified to the state board pursuant to subdivision 1 shall be invested by the state board subject to the provisions of section 22. Retirement fund assets transferred to the Minnesota post-retirement adjustment fund, the combined investment fund, the supplemental retirement investment fund or the variable annuity investment fund shall be invested by the state board as part of those funds.

Subd. 3. [WITHDRAWAL OF ASSETS.] When an executive director administering a retirement fund or plan enumerated in subdivision 4, certifies to the state board that invested assets of the fund or plan are required for immediate use, the state board shall sell securities to equal the amount of assets certified as required and shall order the transfer of the assets to the appropriate executive director.

Subd. 4. [COVERED RETIREMENT FUNDS AND PLANS.] The provisions of this section shall apply to the following retirement funds and plans:

(1) State university and state community college supplemental retirement plan established pursuant to Minnesota Statutes, Sections 136.80 to 136.87;

(2) State employees retirement fund established pursuant to Minnesota Statutes, Chapter 352;

(3) Correctional employees retirement plan established pursuant to Minnesota Statutes, Chapter 352;

(4) Highway patrol retirement fund established pursuant to Minnesota Statutes, Chapter 352B;

(5) Unclassified employees retirement plan established pursuant to Minnesota Statutes, Chapter 352D;

(6) Public employees retirement fund established pursuant to Minnesota Statutes, Chapter 353;

(7) *Public employees police and fire fund established pursuant to Minnesota Statutes, Chapter 353;*

(8) *Teachers' retirement fund established pursuant to Minnesota Statutes, Chapter 354;*

(9) *Judges' retirement fund established pursuant to Minnesota Statutes, Chapter 490; and*

(10) *Any other funds required by law to be invested by the board.*

Sec. 22. [11A.24] [AUTHORIZED INVESTMENTS.]
Subdivision 1. [SECURITIES GENERALLY.] *The state board shall have the authority to purchase, sell, lend or exchange the following securities for funds or accounts specifically made subject to this section including the writing of covered call options.*

Subd. 2. [GOVERNMENT OBLIGATIONS.] *The state board may invest funds in governmental bonds, notes, bills, mortgages and other fixed obligations, including guaranteed or insured issues of (a) the United States, its agencies or its instrumentalities, including financial contracts traded upon a contract market designated and regulated by a federal agency; (b) Canada and its provinces, provided the principal and interest is payable in United States dollars; (c) the states and their municipalities, political subdivisions, agencies or instrumentalities, where backed by the state's full faith and credit or if the issuer has not been in default in payments of principal or interest within the past ten years or in the case of revenue bonds the obligor has been completely self-supporting for the five prior years; (d) the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, or any other United States Government sponsored organization of which the United States is a member, provided the issues are rated in the highest quality category by a nationally recognized rating agency.*

Subd. 3. [CORPORATE OBLIGATIONS.] *The state board may invest funds in bonds, notes, debentures, transportation equipment obligations, or any other longer term evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or any state thereof, or the Dominion of Canada or any province thereof if they conform to the following provisions:*

(a) *The principal and interest of obligations of corporations incorporated or organized under the laws of the Dominion of Canada or any province thereof shall be payable in United States dollars;*

(b) *The consolidated net pretax earnings of corporations other than finance corporations shall have been on average for the preceeding five years at least 1.5 times the annual interest charges on total funded debt applicable to that period;*

(c) *The consolidated net pretax earnings of banks and finance corporations shall have been on average for the preceding five years at least 1.2 times the annual interest charges on total funded debt applicable to that period;*

(d) *Obligations shall be rated among the top three quality categories by a nationally recognized rating agency or if unrated, then the corporation shall have other comparably secured issues similarly rated or the consolidated net pretax earnings of the corporation shall have been on average for the preceding five fiscal years at least twice the ratios required in clauses (b) and (c).*

Subd. 4. [OTHER OBLIGATIONS.] *The state board may invest funds in bankers acceptances, certificates of deposit, commercial paper, mortgage participation certificates and pools, repurchase agreements and reverse repurchase agreements and savings accounts if they conform to the following provisions:*

(a) *Bankers acceptances of United States banks shall be limited to those eligible for purchase by the Federal Reserve System;*

(b) *Certificates of deposit shall be limited to those issued by banks and savings institutions that meet the collateral requirements established in Minnesota Statutes, Section 9.031, unless sufficient volume is unavailable at competitive interest rates. In that event, noncollateralized certificates of deposit may be purchased from United States banks and savings institutions that are rated in the highest quality category by a nationally recognized rating agency;*

(c) *Commercial paper shall be limited to those issued by United States corporations or their Canadian subsidiaries, shall be of the highest quality and mature in 270 days or less;*

(d) *Mortgage participation certificates and pools secured by first mortgages or trust deeds on improved real estate located in the United States where there is a guarantee of replacement by a note or bond of comparable value and security in the event of a default, and where the loan to value ratio for each loan does not exceed 80 percent for fully amortizable residential properties and in all other respects meets the requirements of section 61A.28, subdivision 3.*

(e) *Repurchase agreements and reverse repurchase agreements shall be limited to the securities described in subdivision 2, clause (a);*

(f) *Savings accounts shall be limited to those fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.*

Subd. 5. [CORPORATE STOCKS.] The state board may invest funds in stocks or convertible issues of any corporation organized under the laws of the United States or the states thereof, the Dominion of Canada or its provinces, or any corporation listed on the New York Stock Exchange or the American Stock Exchange, if they conform to the following provisions:

(a) *The aggregate value of corporate stock investments, as adjusted for realized profits and losses, shall not exceed 50 percent of the book value of a fund;*

(b) *Investments in any one corporation shall not exceed three percent of the book value of a fund;*

(c) *Investments shall not exceed five percent of the total outstanding shares of any one corporation;*

(d) *Cash dividends on corporate stock investments shall have been earned and paid for the preceding five years;*

(e) *Investments which do not conform to the dividend standard contained in clause (d) may be held but the total amount of these securities shall not exceed five percent of the book value of a fund.*

Sec. 23. [11A.25] [ADDITIONAL INVESTMENT PROVISIONS.] When investing assets of any funds or accounts specifically made subject to this section or not otherwise referred to in sections 1 to 23, all securities shall be debt obligations maturing within three years of the date of purchase and shall conform to the applicable provisions of section 22.

Sec. 24. By January 1, 1981, the executive director shall prepare and submit to the state board and the legislature a report analyzing whether or not increased portions of the funds under the investment control of the state board could be invested in ways directly beneficial to all Minnesotans and be consistent with the investment standard of care set forth in statute for the board. The report shall assess the policy desirability of these increased investments. If the director concludes that such investments are desirable and can be accomplished consistent with the investment standard of care, he shall identify any statutory amendments needed to permit this increased investment. In preparing this report the director shall consult with representatives of fund beneficiaries and other persons interested in the investment of public moneys.

Sec. 25. Minnesota Statutes, 1979 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:

	Salary or Range	
	Effective July 1, 1979	Effective July 1, 1980
Administration, department of commissioner	\$44,000	\$47,000
Agriculture, department of commissioner	38,000	40,000
Commerce, department of commissioner of banks	34,000	36,500
commissioner of insurance	34,000	36,500
commissioner of securities	34,000	36,500
director of consumer services	28,000	30,000
Community college system chancellor	44,000	46,000
Corrections, department of commissioner	42,000	45,000
ombudsman	33,000	35,000
Crime control planning board, executive director	33,000	35,000
Economic development, department of commissioner	34,000	36,000
Economic security, department of commissioner	43,000	45,000
Education, department of commissioner ..	43,000	45,000
Energy agency director	38,000	40,000
Finance, department of commissioner	48,000	50,000
Health, department of commissioner	47,000	49,000

	1979	1980
	\$	\$
Hearing examiners office chief hearing examiner	38,000	40,000
Higher education coordinating board executive director	40,000	42,000
Housing finance agency executive director	39,000	41,000
Human rights, department of commissioner	31,000	33,000
Indian affairs board executive director	27,000	29,000
(INVESTMENT, BOARD OF EXECUTIVE SECRETARY	42,000	44,000)
Iron range resources and rehabilitation board commissioner	30,000	31,000
Labor and industry, department of commissioner	38,000	40,000
judge of the workers' compensation court of appeals	38,000	40,000
Mediation services, bureau of director	36,000	38,000
Natural resources, department of commissioner	44,000	47,000
Personnel, department of commissioner	44,000	47,000
Planning agency director	43,000	45,000
Pollution control agency director	38,000	40,000
Public safety, department of commissioner	38,000	41,000
Public service, department of commissioner, public service commission	34,000	36,000
director	34,000	36,000

	1979	1980
	\$	\$
Public welfare, department of commissioner	44,000	48,000
Revenue, department of commissioner	44,000	47,000
State university system chancellor	44,000	46,000
Transportation, department of commissioner	44,000	48,000
Veterans affairs, department of commissioner	31,000	33,000

Sec. 26. Minnesota Statutes, 1979 Supplement, Section 43.064, is amended to read:

43.064 [OTHER SALARIES SET BY COMMISSIONER OF PERSONNEL.] Notwithstanding any other law to the contrary, compensation for all unclassified positions in the executive branch not enumerated in the listing described in section 15A.081, shall be established by the commissioner except for the following: (1) positions listed in section 299D.03; (2) employees in the office of the governor whose salaries shall be determined by the governor; (3) employees in the office of the attorney general; (4) *employees of the state board of investment*; (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, or conducting academic support programs; and the positions of state university and community college presidents. Individual salaries for positions enumerated in clauses (3) (AND), (4) *and* (5) and for classified hearing examiners in the office of hearing examiners shall be determined by the attorney general, *the state board of investment*, the state university board, the state board for community colleges, the higher education coordinating board, and the chief hearing examiner, respectively, within the limits of salary plans which shall have been approved by the commissioner 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) *the* subsequent act that

the provisions of this section shall not be applicable or shall be superseded, amended, or repealed.

Sec. 27. Minnesota Statutes 1978, Section 69.77, Subdivision 2, as amended by Laws 1980, Chapter 341, Section 1, is amended to read:

Subd. 2. Subdivision 1 does not apply to an association enumerated in subdivision 1a under the following circumstances:

(1) Each member of the association pays into the retirement funds of the association during his term of covered employment from and after January 1, 1981, a contribution for retirement and survivorship benefits of not less than eight percent of the maximum rate of salary from which retirement and survivorship credits and amounts of benefits are determined, and that (SUCH) *the* contributions of a member are deducted from his salary by his governmental employer, transmitted to the association, and deposited to the credit of the proper fund thereof, provided that to avoid undue increase in the amount of employee contributions in any one year, any increase in the amount of contributions required by this section may be spread over several years, but the increase in rate of contribution in each year commencing in 1981 shall not be less than one percent until the appropriate levels of required employee contributions have been reached. This paragraph shall not apply to members who are volunteer firefighters, provided that the local governing body shall have given their approval to the exemption following consideration of the most recent actuarial survey.

(2) The officers of the association determine on or before the date established by the municipality, which shall not be later than September 1 and shall not be earlier than August 1, of each year the financial requirements and minimum obligation of the association for the following calendar year in accordance with the following requirements:

The financial requirements shall be based on the most recent actuarial survey prepared in accordance with sections 356.215, subdivision 4 and 356.216.

The normal level cost expressed as a percent of covered payroll determined from the actuarial survey shall be applied to the estimated covered payroll of the membership for the following year to determine the dollar amount of normal cost for said following year.

To the dollar amount of normal cost thus determined shall be added the amount of one year's interest at five percent on the amount of the (deficit) unfunded liability found by the actuarial survey of the fund.

The total of these two amounts represents the financial requirements of the association for the following year.

Except as otherwise provided in this paragraph, the minimum obligation of the governmental subdivision shall be the financial requirements of the association less member contributions herein provided from covered salary and less one year's estimated receipts expected from the state of Minnesota through state collected insurance premium taxes or other state aids. The minimum obligation may, by vote of the governing body of the governmental subdivision, be reduced to the amount levied in the preceding year for purposes of the association, plus the following percentage of the difference between that levy and the amount of the minimum obligation determined without benefit of this sentence: for the levy made in 1971, 10 percent; in 1972, 20 percent; in 1973, 30 percent; in 1974, 40 percent; in 1975, 50 percent; in 1976, 60 percent; in 1977, 70 percent; in 1978, 80 percent; and in 1979, 90 percent. Commencing with the levy made in 1980, there shall be no reduction in the minimum obligation pursuant to this paragraph.

(3) The foregoing determination of the obligation of a governmental subdivision shall be submitted to its governing body not later than September 1 of each year so that it may ascertain if it has been prepared in accordance with law.

(4) The governmental subdivision shall provide and pay as promptly as funds are available to the association at least the amount of the minimum obligation each year. Any portion of this amount not paid to the association at the end of any calendar year shall be increased at the rate of six percent per annum until so paid. On September 1 of any year the unpaid amount subject to interest shall be added to the obligation of the governmental subdivision.

(5) The governmental subdivision shall provide in its annual budget at least its minimum obligation and may levy taxes for the payment thereof without limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of any fund of the association has attained a specified level; the levy of such taxes shall not cause the amount of other taxes levied or to be levied by the governmental subdivision, which are subject to any such limitation, to be reduced in any amount whatsoever. If the governmental subdivision does not include the full amount of the minimum obligation in its levy for any year, the officers of the association shall certify that amount to the county auditor, who shall spread a levy in the amount of (SUCH) *the* obligation.

(6) Moneys paid by the governmental subdivision to the association in excess of the minimum amount so required shall be applied to the reduction in the unfunded liabilities of the association.

(7) The funds of the association shall be invested in securities which are proper investments (FOR FUNDS OF THE MINNESOTA STATE RETIREMENT SYSTEM) pursuant to section 22, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the three percent stock limitation (APPLICABLE TO THE MINNESOTA STATE RETIREMENT SYSTEM) specified in section 22, subdivision 5, would necessitate a lesser investment. Securities held by the association before July 1, 1971, which do not meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on April 28, 1969. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board (OF INVESTMENT) under the provisions of section (11.21) 15, provided that there be no limit to the amount which may be invested in the income share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 2), or in the fixed-return account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3A), and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental retirement investment fund may be invested in the growth share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3).

(8) The association shall procure an actuarial survey showing the condition of its fund pursuant to section 356.216 as of December 31, 1978, and shall procure an actuarial survey every two years thereafter. The association shall also procure a quadrennial experience study pursuant to section 356.216 as of December 31, 1978, and shall procure a quadrennial experience study every four years thereafter. A copy of the actuarial survey and the quadrennial experience study shall be filed with the director of the legislative reference library, the governing body of the municipality in which the association is organized, the executive secretary of the legislative commission on pensions and retirement, and the commissioner of insurance, not later than June 1 of the following year.

Sec. 28. Minnesota Statutes 1978, Section 69.775, is amended to read:

69.775 [INVESTMENTS.] The special fund assets of the relief associations governed by sections 69.771 to 69.776 shall be invested in securities which are proper investments (FOR FUNDS OF THE MINNESOTA STATE RETIREMENT SYSTEM) pursuant to section 22, except that up to five percent of the special fund assets, or a minimum of \$10,000, may be invested in the stock of any one corporation. Securities held by the associations before January 1, 1972, which do not meet the requirements of this section may be retained after that date if they were proper investments for the association on May 14, 1971. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board (OF INVESTMENT)

under the provisions of section (11.21) 15, provided that there be no limit to the amount which may be invested in the income share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 2), or in the fixed-return account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3A), and that up to 20 percent of that portion of the assets of the associations invested in the Minnesota supplemental retirement fund may be invested in the growth share account (DESCRIBED IN SECTION 11.18, SUBDIVISION 3).

Sec. 29. Minnesota Statutes 1978, Section 124.46, Subdivision 4, is amended to read:

Subd. 4. Bonds shall be issued pursuant to this section only when authorized by a law specifying the purpose thereof and the maximum amount of the proceeds authorized to be expended for (SUCH) *that* purpose. Any act authorizing the issuance of bonds in the manner provided in this section shall, together with this section, constitute complete authority for (SUCH) *the* issue, and (SUCH) *the* bonds shall not be subject to the restrictions or limitations contained in any other law. Bonds issued pursuant hereto (MAY BE PURCHASED BY THE STATE BOARD OF INVESTMENT FOR THE PERMANENT SCHOOL FUND, SWAMP LAND FUND, INTERNAL IMPROVEMENT LAND FUND, OR ANY OTHER FUND FOR WHICH INVESTMENTS MAY BE MADE BY THE STATE BOARD OF INVESTMENT OR) may be sold (ELSEWHERE) at public or private sale and shall be deemed "authorized securities" within the provisions of section 50.14 and acts amendatory thereof or supplemental thereto.

Sec. 30. Minnesota Statutes 1978, Section 167.42, is amended to read:

167.42 [PLEDGE OF FULL FAITH AND CREDIT.] The full faith and credit of the state of Minnesota is hereby irrevocably pledged to the payment of the principal of and the interest on the bonds authorized by sections 167.39 to 167.45. (SUCH) *The* bonds shall be issued and sold on competitive bids after reasonable notice (, OR DIRECT TO THE STATE BOARD OF INVESTMENT WITHOUT BIDS AND THAT BOARD IS HEREBY AUTHORIZED TO INVEST ANY FUNDS UNDER ITS CONTROL OR DISCRETION IN ANY OF THESE BONDS, NOTWITHSTANDING ANY LIMITATIONS IMPOSED BY SECTION 11.10 OR ANY OTHER PROVISIONS OF LAW). (SUCH) *The* bonds shall be issued and sold by the state auditor under (SUCH) rules (AND REGULATIONS) and in (SUCH) *the* form and denominations as he shall determine and shall be attested by the secretary of state. (SUCH) *The* rules may provide for the maturity, registration, conversion and exchange of the bonds so issued; all bonds maturing more than three years after their date may be made redeemable at par at the expiration of (SUCH) *the* three years and on each interest payment date thereafter upon

(SUCH) notice as (SUCH) *the* rules, made prior to the issuance of the bonds, may provide. All expenses incident to the printing and the sale of the bonds, including actual and necessary traveling expenses of state officers and employees for (SUCH) *the* purpose, shall be paid from the trunk highway fund and the amounts therefor are hereby appropriated from (SAID) *that* fund. The provisions of sections 15.041 to 15.044 shall not apply to the rules (AND REGULATIONS) promulgated pursuant hereto. The state auditor shall keep a record showing the number, date of issue and date of maturity of each (SUCH) bond.

Sec. 31. Minnesota Statutes 1978, Section 167.50, Subdivision 2, is amended to read:

Subd. 2. (SAID) *The* bonds shall be issued and sold upon sealed bids after two weeks' published notice (**, OR THEY MAY BE SOLD DIRECTLY TO THE STATE BOARD OF INVESTMENT WITHOUT BIDS**). They shall mature serially over a term not exceeding 20 years from their respective dates of issue, shall not be sold for less than par and accrued interest, and shall not bear interest at a greater rate than five percent per annum. Subject to the foregoing limitations, and subject to any other limitations stated in the acts authorizing (SUCH) *the* bonds and appropriating the proceeds thereof, but not subject to the provisions of sections 15.0411 to 15.0422, (SUCH) *the* bonds shall be issued and sold in (SUCH) *the* number of series, at (SUCH) times, in (SUCH) *the* form and denominations, bearing interest at (SUCH) *the* rate or rates, maturing on (SUCH) dates, either without option of prior redemption or subject to prepayment upon (SUCH) notice and at (SUCH) *the* times and prices, payable at (SUCH) *the* bank or banks, within or without the state, with (SUCH) provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale and delivery of definitive bonds, and in accordance with such further regulations, as the commissioner of finance may determine. The bonds shall be executed by the commissioner of finance and attested by the state treasurer under their official seals. The signature of one of these officers on the face of any bond, and their seals, and the signatures of both officers on the interest coupons appurtenant to any bond, may be printed, lithographed, stamped, or engraved thereon.

Sec. 32. Minnesota Statutes 1978, Section 193.146, Subdivision 4, is amended to read:

Subd. 4. [SALE.] (SUCH) *The* bonds shall be sold by (SUCH) *the* corporation under (SUCH) notice and upon (SUCH) *the* terms and at (SUCH) times as the corporation shall deem best. (SUCH) *The* bonds shall not be deemed or construed to be debts of the state of Minnesota or of the county or municipality in which (SUCH) *the* armory is situated, nor to impose any personal liability upon any member of (SUCH)

the corporation, but shall be payable solely out of the income to be received by (SUCH) *the* corporation as specified herein. Bonds legally issued pursuant hereto (MAY BE PURCHASED BY THE STATE BOARD OF INVESTMENT FOR THE PERMANENT SCHOOL FUND, PERMANENT UNIVERSITY FUND, SWAMP LAND FUND, INTERNAL IMPROVEMENT LAND FUND, OR ANY OTHER TRUST FUND OF THE STATE OF MINNESOTA, OR FOR ANY OTHER FUND ADMINISTERED BY SUCH BOARD, AND) shall be deemed authorized securities within the provisions of section 50.14, and laws supplemental thereto, and shall be proper for the investment of capital, surplus, or deposits of any savings bank or trust company, and for the investment of funds of any insurance company, and for the investment of any sinking funds held by any public or municipal corporation, and may be pledged by any bank or trust company as security for the deposit of public moneys therein in lieu of surety bonds. (SUCH) *The* bonds shall be deemed and treated as instrumentalities of a public governmental agency, and as such shall be exempt from taxation.

Sec. 33. Minnesota Statutes 1978, Section 352.115, Subdivision 8, is amended to read:

Subd. 8. [ACCRUAL OF ANNUITY.] State employees shall make application for an annuity but such application shall not be made *more than 60 days* prior to the time the employee is eligible to retire by reason of both age and service requirements. If the director determines an applicant for annuity has fulfilled all the requirements of the law to entitle him to an annuity, he shall authorize payment thereof in accordance with the provisions of this chapter and payment shall be made pursuant to this authorization. An annuity shall begin to accrue no earlier than 60 days prior to the date the application is filed with the director except that if an optional annuity as provided in section 352.116, subdivision 3 is selected the annuity shall begin to accrue 30 days after the application is filed with the director but in no event prior to the day following the termination of state service *or prior to the day the employee is eligible to retire by reason of both age and service requirements.* The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option; and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died. If an employee who has filed an

application for annuity prior to the termination of his state service dies before an annuity becomes payable to him, refundment of his accumulated contributions shall be made as provided in section 352.12, subdivision 1.

Sec. 34. Minnesota Statutes 1978, Section 352.23, is amended to read:

352.23 [TERMINATION OF RIGHTS.] When any employee accepts a (REFUNDMENT) *refund* as provided in section 352.22, all existing service credits and all rights and benefits to which the employee was entitled prior to the acceptance of such (REFUNDMENT) *refund* shall terminate and shall not again be restored until the former employee acquires not less than one year's allowable service credit subsequent to taking his last (REFUNDMENT) *refund*. In that event, he may repay all (REFUNDMENTS) *refunds* which he had taken from the retirement fund. Repayment of (REFUNDMENTS) *refunds* will entitle the employee only to credit for service covered by (a) salary deductions, (b) payments made in lieu of salary deductions, and (c) payments made to obtain credit for service as permitted by laws in effect at the time payment was made. If an employee before taking one or more (REFUNDMENTS) *refunds* had credit for prior service or for military service without payment in either case, he may obtain credit for such forfeited service prior to July 1, 1929, and for such forfeited military service by making payments at a contribution rate of three percent of his average salary upon which deductions for the retirement fund were based, for the three year period immediately preceding repayment of (REFUNDEMENT) *refund* for service credit prior to July 1, 1929, and on the salary received by him at the time of entering military service to restore his military service credit. All such payments and repayment of (REFUNDMENTS) *refunds* are to be paid with interest at six percent per annum compounded annually and may be paid in a lump sum or by payroll deduction in the manner provided in section 352.04.

Sec. 35. Minnesota Statutes 1978, Section 352.75, Subdivision 3, is amended to read:

Subd. 3. [EXISTING RETIRED MEMBERS AND BENEFIT RECIPIENTS.] As of the effective date of Laws 1978, Chapter 538, the liability for all retirement annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits 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 Laws 1978, Chapter 538 and the required reserves for the increase in annuities and ben-

efits provided pursuant to subdivision 6 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 Laws 1978, Chapter 538 but shall be considered transferred as of June 30, 1978. The annuity or benefit amount in effect on the effective date of Laws 1978, Chapter 538, including the increase granted pursuant to subdivision 6, 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 SUBDIVISION 6. 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) 16. 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.

Sec. 36. Minnesota Statutes 1978, Section 352B.26, Subdivision 3, is amended to read:

Subd. 3. [VALUATION OF ASSETS; ADJUSTMENT OF BENEFITS.] (1) As of June 30, 1969, the present value of all annuities, including joint and survivor annuities and qualified recipients of surviving spouse benefits, in force as of June 30, 1969, and as amended in accordance with Laws 1969, Chapter 977, shall be determined in accordance with the United States Life Tables, 1959-61, white males and white females, calculated with an interest assumption of three and one-half percent and assets representing the required reserves for these annuities shall be transferred to the Minnesota adjustable fixed benefit fund, during a period of one year in accordance with procedures

specified in *Minnesota Statutes 1969*, Section 11.25. The provisions of this clause apply to all annuities which are payable under this chapter.

(2) Effective July 1, 1969, for those employees commencing to receive annuities and qualified recipients of surviving spouse benefits, or joint and survivor annuities, pursuant to this chapter, and acts amendatory thereof, the required reserves as determined in accordance with this section shall be transferred to the Minnesota adjustable fixed benefit fund as of the date benefits begin to accrue after June 30, 1969.

(3) Annuity payments shall be adjusted in accordance with the provisions of section 11.25, subdivisions 12 and 13.

(4) Notwithstanding section 356.18, increases in annuity payments pursuant to this section shall be made automatically unless written notice is filed by the annuitant with the executive director of the Minnesota state retirement system requesting that the increase shall not be made.

Sec. 37. Minnesota Statutes, 1979 Supplement, Section 352D.02, Subdivision 1, is amended to read:

352D.02 [COVERAGE.] Subdivision 1. The following employees in the unclassified service of the state who are eligible for coverage under the Minnesota state retirement system shall participate in the unclassified program unless such employee gives notice to the executive director of the state retirement system within one year following (JUNE 5, 1975 OR) the commencement of his employment (, WHICHEVER IS LATER,) that he desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file such notice with the executive director shall be deemed to have exercised his option to participate in the unclassified plan. (THE EMPLOYEE AND APPLICABLE EMPLOYER CONTRIBUTIONS FOR THOSE EMPLOYEES COVERED BY THE REGULAR PLAN ON JUNE 5, 1975, WHO AFTER SUCH DATE PARTICIPATE IN THE UNCLASSIFIED PLAN, SHALL BE TRANSFERRED TO THE SUPPLEMENTAL FUND IN ACCORDANCE WITH SUBDIVISION 4 AND SECTION 352D.03 AS THOUGH THE EMPLOYEE HAD ELECTED TO PARTICIPATE WHEN FIRST ELIGIBLE TO MAKE SUCH ELECTION. THIS SUBDIVISION SHALL ALSO BE APPLICABLE TO ANY PERSON WHO WAS AN EMPLOYEE IN AN ELIGIBLE POSITION ON OR AFTER JANUARY 1, 1975, HAS TERMINATED SERVICE BEFORE JUNE 5, 1975 WITH LESS THAN TEN YEARS OF ALLOWABLE SERVICE, AND HAS NOT TAKEN A REFUND OF HIS CONTRIBUTIONS.)

(1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general (, REVISOR OF STATUTES) or the state board of investment,

(2) *The head of any department, division, or agency (HEAD, THE ASSISTANT DEPARTMENT HEAD OR DEPUTY) created by statute, an acting department head subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivisions 4 and 4a,*

(3) Any permanent, fulltime unclassified employee of the legislature or any commission or agency of the legislature or a (PARTTIME) temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,

(4) Any person employed in a position established pursuant to section 43.09, subdivision 2a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,

(5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission; and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system, and

(6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system.

(THE ELIGIBILITY TO PARTICIPATE OF THOSE EMPLOYEES SPECIFIED IN CLAUSES (4) AND (5) EMPLOYED IN SUCH POSITIONS ON APRIL 21, 1976, SHALL BE RETROACTIVE TO THEIR DATE OF APPOINTMENT TO SUCH POSITIONS.)

(THE ELIGIBILITY TO PARTICIPATE OF THOSE EMPLOYEES SPECIFIED IN CLAUSE (6) EMPLOYED IN SUCH POSITIONS ON JULY 1, 1977, SHALL BE RETROACTIVE TO THEIR DATE OF APPOINTMENT TO SUCH POSITIONS.)

Sec. 38. Minnesota Statutes 1978, Section 352D.04, Subdivision 2, is amended to read:

Subd. 2. The moneys used to purchase shares under this section shall be the employee and employer contributions as provid-

ed in section 352.04, subdivisions 2 and 3 (, CLAUSE (1). EXCEPT AS AUTHORIZED BY SECTION 352D.10, THE ADDITIONAL AMOUNT PROVIDED IN SECTION 352.04, SUBDIVISION 3, CLAUSE (2) SHALL REMAIN IN THE REGULAR FUND).

Sec. 39. Minnesota Statutes 1978, Section 352D.05, Subdivision 3, is amended to read:

Subd. 3. (UPON) *Thirty days after termination of covered employment or at any time thereafter a participant shall be entitled upon application, to withdraw the cash value of his total shares or may leave such shares on deposit with the supplemental retirement fund. Shares not withdrawn shall remain on deposit with the supplemental retirement fund until the former participant attains the age of at least 58 years, and applies for an annuity as provided in section 352D.06, subdivision 1.*

Sec. 40. Minnesota Statutes 1978, Section 352D.05, Subdivision 4, is amended to read:

Subd. 4. (NO PERSON SHALL BE PERMITTED TO REPAY THE VALUE OF SHARES WITHDRAWN FROM THE UNCLASSIFIED PROGRAM, BUT) *A participant in the unclassified program may repay regular refunds taken pursuant to section 352.22, as provided in section 352.23. A participant in the unclassified program or an employee covered by the general plan who has withdrawn the value of the total shares may repay the refund taken and thereupon restore the service credit, rights and benefits forfeited by paying into the fund the greater of (1) the amount refunded plus interest at 6-1/2 percent per annum compounded annually from the date that the refund was taken until the date that the refund is repaid, or (2) an amount equal to the total of the employee and employer matching and additional contributions for the forfeited employment period less the administrative fee provided in section 352D.09, subdivision 7, plus interest at the rate of 6-1/2 percent per annum compounded annually from the date of the start of the forfeited employment period until the date that the refund is paid. If the participant had withdrawn only the employee shares as permitted under prior laws, repayment shall be pro rata. Payment shall be made in a lump sum.*

Sec. 41. Minnesota Statutes, 1979 Supplement, Section 353.023, is amended to read:

353.023 [TRANSFER OF PENSION COVERAGE OF MINNEAPOLIS MUNICIPAL EMPLOYEES RETIREMENT FUND COORDINATED PROGRAM.] *Notwithstanding any provisions of law to the contrary, as of July 1, 1979, all active members of the coordinated program of the Minneapolis municipal employees retirement fund established pursuant to Minnesota Statutes 1978, Sections 422A.30 to 422A.39, shall cease to be members of the program of that fund and shall cease to have any accrual of service credit, rights, or benefits under the bene-*

fit plan of that program. From and after July 1, 1979, all active members of the coordinated program will have their retirement coverage transferred to the coordinated program of the public employees retirement association. The accrued liability for retirement coverage of these members to date shall be transferred to the coordinated program of the public employees retirement association and shall no longer be the liability of the Minneapolis municipal employees retirement fund. Within 30 days of July 1, 1979, the board of trustees of the Minneapolis municipal employees retirement fund shall transfer the entire assets attributable to the coordinated program of the Minneapolis municipal employees retirement fund to the coordinated program of the public employees retirement association. The assets transferred shall be an amount equal in value to the amount of employee contributions made by coordinated program members since July 1, 1978, the amount of employer matching contributions made by an employing unit on behalf of a coordinated program member since July 1, 1978, an amount equal to the employer additional contribution for the members of the coordinated program, and an amount equal to the investment income earned by the fund on the invested assets of the program since July 1, 1978. The assets transferred to the public employees retirement fund shall only include securities which are proper investments pursuant to section (11.16) 22. Within 30 days of July 1, 1979, the board of trustees and the actuary of the Minneapolis municipal employees retirement fund shall transfer to the public employees retirement association original copies of all records and documents which are in their possession relating to the coordinated program of the Minneapolis municipal employees retirement fund and any of its members and shall provide from time to time whatever additional relevant information which the board of trustees of the public employees retirement association may request. Upon the transfer of the assets, liabilities and records of the coordinated program of the Minneapolis municipal employees retirement fund to the coordinated program of the public employees retirement association, the coordinated program of the Minneapolis municipal employees retirement fund shall terminate and shall cease to exist.

Sec. 42. Minnesota Statutes 1978, Section 353.661, Subdivision 3, is amended to read:

Subd. 3. [TRANSFER OF EXISTING RECIPIENTS OF PENSION AND OTHER RETIREMENT BENEFITS.] As of July 1, 1978, the accrued liability for all retirement annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits paid or payable by the university of Minnesota police department retirement plan and fund shall be transferred to the public employees police and fire fund and shall no longer be the liability of the university of Minnesota police department retirement plan and fund. The required reserves for retirement annuities in effect as of June 30, 1978, including future automatic survivor benefits for survivors of deceased former retirement annuitants attributable to those annuities, and the required reserves for benefits of survivor of

deceased former retirement annuitants in effect as of June 30, 1978 shall be determined using a five percent interest assumption and the applicable public employees police and fire fund mortality table and shall be transferred by the public employees police and fire fund to the Minnesota adjustable fixed benefit fund on July 1, 1978 but shall be considered transferred as of June 30, 1978. The annuity or benefit amount on July 1, 1978 shall be considered the "originally determined benefit" for purposes of further adjustments 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 UNIVERSITY OF MINNESOTA POLICE DEPARTMENT RETIREMENT PLAN AND FUND ON OR BEFORE JUNE 30, 1977. 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) 16. For persons receiving benefits as survivors of deceased former retirement annuitants, the benefit shall be considered as having commenced on the date on which the retirement annuitant began receiving the retirement annuity.

Sec. 43. Minnesota Statutes 1978, Section 462.631, Subdivision 1, is amended to read:

462.631 [APPROVED MORTGAGES, BOND ISSUE; LIMITATIONS, PROVISIONS.] Subdivision 1. Any redevelopment company, subject to the approval of the state housing commission, may borrow funds and secure the repayment thereof by bond and mortgage or by an issue of bonds under a trust indenture. Each mortgage or issue of bonds of a redevelopment company shall relate only to a single specified project and to no other, and those bonds shall be secured by mortgage upon all of the real property of which (SUCH) *the* project consists. First lien bonds of a redevelopment company, when secured by a mortgage not exceeding 80 percent of the estimated cost prior to the completion of the project, or 80 percent of the appraised value or actual cost, but in no event in excess of 80 percent of the actual cost, after that completion, as certified by the state housing commission, are hereby declared securities in which all public officers and bodies of the state and of its municipal subdivisions,

including the state board of investment if the bonds meet the requirements of section 22, subdivision 2, all insurance companies and associations, all savings banks and savings institutions, including savings, building and loan associations, executors, administrators, guardians, trustees, and all other fiduciaries in the state may properly and legally invest the funds within their control. The bonds so issued and secured and the mortgage or trust indenture relating thereto may create a first or senior lien and a second or junior lien upon the real property embraced in any project; provided, however, that the total mortgage liens shall not exceed 80 percent of the estimated cost prior to the completion of the project, or 80 percent of the appraised value or actual cost, but in no event in excess of 80 percent of the actual cost after that completion, as certified by the state housing commission; and provided further that, where there are first and second mortgage liens upon the property embraced in a project, only the first or senior lien thereon shall be deemed a security in which (SUCH) *the* officers, bodies, corporations, associations, and fiduciaries may invest the funds within their control. (SUCH) *The* bonds and mortgages may contain (SUCH) other clauses and provisions as shall be approved by the state housing commission, including the right to assignment of rents and entry into possession in case of default; but the operation of the housing project in the event of such entry by mortgagee or receiver shall be subject to regulations promulgated by the state housing commission. Provisions for the amortization of the bonded indebtedness of companies formed under sections 462.415 to 462.711 shall be subject to the approval of the state housing commission. So long as funds made available by the federal government or any instrumentality thereof or any mortgage or mortgage bonds insured by the federal housing administrator or any other instrumentality of the federal government are used in financing, in whole or in part, any project under sections 462.415 to 462.711, the capital structure of a redevelopment company undertaking such project and the proportionate amount of the cost of the lands and improvements to be represented by mortgages or bonds shall be entirely in the discretion of the housing commission; and all restrictions as to the amounts to be represented by mortgages, mortgage bonds, income debenture, or stock shall be inapplicable to (SUCH) *the* projects or to redevelopment companies undertaking (SUCH) *the* projects, except that the bonds, mortgages, debentures, and stock covering any project shall not exceed the total actual final cost of (SUCH) *the* project as defined in section 462.635, clause 2.

Interest rates on mortgage indebtedness shall not exceed five percent per annum.

Sec. 44. Minnesota Statutes 1978, Section 475.73, Subdivision 1, is amended to read:

475.73 [STATE BOARD OF INVESTMENT.] Subdivision 1. Obligations sold under the provisions of section 475.60 may

be purchased by the state board of investment *if the obligations meet the requirements of section 22, subdivision 2*, upon the approval of the Attorney General as to form and execution of the application therefor, and under (SUCH) rules (AND REGULATIONS) as the board may specify, and the state board (OF INVESTMENT) shall have authority to purchase the same to an amount not exceeding 15 percent of the assessed valuation of the taxable property of (SUCH) *the* municipality, according to the last preceding assessment. (SUCH) *The* obligations shall not run for a shorter period than one year, nor for a longer period than 30 years and shall bear interest at a rate to be fixed by the state board (OF INVESTMENT) but not less than two percent per annum. Forthwith upon the delivery to the state of Minnesota of any obligations issued by virtue thereof, the commissioner of finance shall certify to the respective auditors of the various counties wherein are situated the municipalities issuing the same, the number, denomination, amount, rate of interest and date of maturity of each (SUCH) obligation.

Sec. 45. [INSTRUCTIONS TO THE REVISOR.] *Subdivision 1. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "executive director" for the term "executive secretary" wherever that term appears in reference to the state board of investment, shall substitute the term "Minnesota supplemental retirement investment fund" for the term "Minnesota supplemental retirement fund" wherever that term appears, and shall substitute the term "Minnesota variable annuity investment fund" for the term "Minnesota variable annuity fund" wherever that term appears.*

Subd. 2. In the next and subsequent editions of the Minnesota Statutes, the revisor of statutes shall substitute wherever the term "Minnesota adjustable fixed benefit fund" appears in reference to the state board of investment, the term "Minnesota post-retirement investment fund".

Sec. 46. [INSTRUCTION TO REVISOR.] *In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall in each section referred to in column A, strike the reference referred to in column B and insert the reference set forth in column C:*

<i>column A</i>	<i>column B</i>	<i>column C</i>
<i>Minnesota Statutes 1978</i>	<i>Minnesota Statutes 1978</i>	
<i>Section 3A.11,</i>	<i>Section 11.25</i>	<i>Section 11A.18</i>
<i>Subdivisions</i>		
<i>1 and 2</i>		

<i>column A</i> <i>Minnesota Statutes</i> <i>1978</i>	<i>column B</i> <i>Minnesota Statutes</i> <i>1978</i>	<i>column C</i>
<i>Section 60B.25(16)</i>	<i>Chapter 11</i>	<i>Section 11A.24</i>
<i>Section 82.34,</i> <i>Subdivision 5</i>	<i>Section 11.16</i>	<i>Section 11A.24</i>
<i>Section 137.022</i>	<i>Section 11.25,</i> <i>Subdivision 2</i>	<i>Section 11A.18</i>
<i>Section 137.022</i>	<i>Section 11.015,</i> <i>Subdivision 7</i>	<i>Section 11A.16,</i> <i>Subdivision 5</i>
<i>Section 137.022</i>	<i>Section 11.16,</i> <i>Subdivision 17</i>	<i>Section 11A.12,</i> <i>Subdivision 2</i>
<i>Section 137.025</i>	<i>Section 11.10</i>	<i>Section 11A.25</i>
<i>Section 161.04,</i> <i>Subdivision 2</i>	<i>Chapter 11</i>	<i>Section 11A.21</i>
<i>Section 162.16</i>	<i>Chapter 11</i>	<i>Section 11A.21</i>
<i>Section 198.265</i>	<i>Section 11.17</i>	<i>Section 11A.21</i>
<i>Section 222.59</i>	<i>Section 11.10</i>	<i>Section 11A.25</i>
<i>Section 352.04,</i> <i>Subdivision 12</i>	<i>Section 11.25</i>	<i>Section 11A.18</i>
<i>Section 352.061</i>	<i>Section 11.25</i>	<i>Section 11A.18</i>
<i>Section 352.061</i>	<i>Chapter 11</i>	<i>Section 11A.24</i>
<i>Section 352.119,</i> <i>Subdivision 2(2)</i>	<i>Section 11.25,</i> <i>Subdivisions</i> <i>12 and 13</i>	<i>Section 11A.18</i>
<i>Section 352.93,</i>	<i>Section 11.25</i>	<i>Section 11A.18</i>

column A
Minnesota Statutes
1978

column B
Minnesota Statutes
1978

column C

Subdivision 3

Section 352.96,

Section 11.18

Section 11A.17

Subdivision 2(a)

Section 352B.26,

Section 11.25,

Section 11A.18

Subdivision 3(3)

Subdivisions

12 and 13

Section 352D.015,

Sections 11.18 to

Section 11A.17

Subdivision 3

11.24

Section 352D.03

Section 11.18

Section 11A.17

Section 353.06

Section 11.25

Section 11A.18

Section 353.271,

Section 11.25,

Section 11A.18

Subdivision 2(2)

Subdivisions

12 and 13

Section 354.05,

Section 11.26

Section 11A.19

Subdivision 23

Section 354.05,

Section 11.25,

Section 11A.18

Subdivision 26

Subdivision 12

Section 354.62,

Section 11.26,

Section 11A.19,

Subdivision 4(3)

Subdivision 7

Subdivision 8

Section 354.63,

Section 11.25,

Section 11A.18

Subdivision 2(2)

Subdivisions

12 and 13

Section 356.39

Section 11.25

Section 11A.18

<i>column A</i> <i>Minnesota Statutes</i> <i>1978</i>	<i>column B</i> <i>Minnesota Statutes</i> <i>1978</i>	<i>column C</i>
<i>Section 360.017,</i> <i>Subdivision 2</i>	<i>Section 11.01</i>	<i>Section 11A.25</i>
<i>Section 422A.18,</i> <i>Subdivision 2</i>	<i>Section 11.25,</i> <i>Subdivision 12</i>	<i>Section 11A.18</i>
<i>Section 422A.23,</i> <i>Subdivision 10</i>	<i>Section 11.25,</i> <i>Subdivision 12</i>	<i>Section 11A.18</i>
<i>Section 490.123,</i> <i>Subdivision 3</i>	<i>Section 11.25</i>	<i>Section 11A.18</i>
<i>Section 490.123,</i> <i>Subdivision 3</i>	<i>Chapter 11</i>	<i>Section 11A.24</i>
<i>Section 525.161</i>	<i>Section 11.08</i>	<i>Section 11A.04</i> <i>(9)</i>
<i>Section 525.841</i>	<i>Section 11.08</i>	<i>Sections 11A.04</i> <i>(9) and 11A.10,</i> <i>Subdivision 2</i>
<i>Minnesota Statutes,</i> <i>1979 Supplement</i>	<i>Minnesota Statutes</i> <i>1978</i>	
<i>Section 299B.17,</i> <i>Subdivision 7</i>	<i>Section 11.10</i>	<i>Section 11A.25</i>

Sec. 47. [TEMPORARY PROVISION.] *Portfolio securities held by the state board of investment which met statutory criteria at the time of purchase but which became nonconforming as a result of the passage of sections 1 to 23 may be retained.*

Sec. 48. [REPEALER.] *Minnesota Statutes 1978, Sections 11.01; 11.015; 11.04; 11.05; 11.06; 11.08; 11.10; 11.11; 11.115;*

11.117, Subdivisions 1, 2, 3, 5, and 7; 11.12; 11.13; 11.14; 11.15; 11.16; 11.17; 11.18; 11.19; 11.20; 11.21; 11.22; 11.23; 11.24; 11.25; 11.26; 11.27; 11.28; 360.303; 458.53; and Minnesota Statutes, 1979 Supplement, Sections 11.117, Subdivisions 4 and 6; 11.118; and 11.145 are repealed.

Sec. 49. [EFFECTIVE DATE.] *This article is effective the day following enactment.*

ARTICLE XV

POLICE, FIRE AND JUDGES RETIREMENT

Section 1. [LEGISLATIVE INTENT AND PURPOSE.] *It is the intent and purpose of sections 1 to 11 to provide:*

(a) *A means by which municipalities may establish an orderly phase-out of local police and salaried firefighters relief associations governed by Minnesota Statutes, Section 69.77, by allowing municipalities to provide that all newly hired police officers and salaried firefighters shall be covered by the public employees police and fire fund established by Minnesota Statutes, Sections 353.63 to 353.68;*

(b) *Assistance to municipalities and local police and salaried firefighters relief associations by establishing a local police and salaried firefighters relief association amortization state aid program; and*

(c) *An increase in retirement benefits to members of local police and salaried firefighters relief associations under certain conditions while not diminishing or impairing any retirement benefits of any persons who are members of local police and salaried firefighters relief associations, either active or retired.*

Sec. 2. Minnesota Statutes 1978, Section 69.77, Subdivision 2, as amended by Laws 1980, Chapter 341, Section 1, is amended to read:

Subd. 2. Subdivision 1 does not apply to an association enumerated in subdivision 1a under the following circumstances:

(1) Each member of the association pays into the retirement funds of the association during his term of covered employment from and after January 1, 1981, a contribution for retirement and survivorship benefits of not less than eight percent of the maximum rate of salary from which retirement and survivorship credits and amounts of benefits are determined, and that such contributions of a member are deducted from his salary by his governmental employer, transmitted to the association, and deposited to the credit of the proper fund thereof, provided that to avoid undue increase in the amount of employee contributions

in any one year, any increase in the amount of contributions required by this section may be spread over several years, but the increase in rate of contribution in each year commencing in 1981 shall not be less than one percent until the appropriate levels of required employee contributions have been reached. This paragraph shall not apply to members who are volunteer firefighters, provided that the local governing body shall have given their approval to the exemption following consideration of the most recent actuarial survey.

(2) The officers of the association determine on or before the date established by the municipality, which shall not be later than September 1 and shall not be earlier than August 1, of each year the financial requirements and minimum obligation of the association for the following calendar year in accordance with the following requirements:

The financial requirements shall be based on the most recent actuarial survey prepared in accordance with sections 356.215, subdivision 4 and 356.216.

The total of the amounts calculated pursuant to clauses (a) and (b) shall constitute the financial requirements of the relief association for the following year.

(a) The normal level cost expressed as a percent of covered payroll determined from the actuarial survey shall be applied to the estimated covered payroll of the membership for the following year to determine the dollar amount of normal cost for said following year.

(TO THE DOLLAR AMOUNT OF NORMAL COST THUS DETERMINED SHALL BE ADDED THE AMOUNT OF ONE YEAR'S INTEREST AT FIVE PERCENT ON THE AMOUNT OF THE (DEFICIT) UNFUNDED LIABILITY FOUND BY THE ACTUARIAL SURVEY OF THE FUND.)

(THE TOTAL OF THESE TWO AMOUNTS REPRESENTS THE FINANCIAL REQUIREMENTS OF THE ASSOCIATION FOR THE FOLLOWING YEAR.)

(b) *To the dollar amount of normal cost thus determined shall be added an amount equal to the level annual dollar amount sufficient to amortize the unfunded accrued liability by December 31, 2010, as determined from the actuarial survey of the fund.*

Except as otherwise provided in this paragraph, the minimum obligation of the governmental subdivision shall be the financial requirements of the association less the estimated amount of member contributions herein provided from covered salary anticipated for the following calendar year and less one year's estimated receipts expected from the applicable state (OF

MINNESOTA THROUGH STATE COLLECTED INSURANCE PREMIUM TAXES OR OTHER STATE AIDS) *aid program established pursuant to sections 69.011 to 69.051, and from the local police and salaried firefighters' relief association amortization aid program established pursuant to section 5.* The minimum obligation may, by vote of the governing body of the governmental subdivision, be reduced to the amount levied in the preceding year for purposes of the association, plus the following percentage of the difference between that levy and the amount of the minimum obligation determined without benefit of this sentence: for the levy made in 1971, 10 percent; in 1972, 20 percent; in 1973, 30 percent; in 1974, 40 percent; in 1975, 50 percent; in 1976, 60 percent; in 1977, 70 percent; in 1978, 80 percent; and in 1979, 90 percent. Commencing with the levy made in 1980, there shall be no reduction in the minimum obligation pursuant to this paragraph.

(3) The foregoing determination of the obligation of a governmental subdivision shall be submitted to its governing body *on or before the date established by the municipality which shall not be earlier than August 1 and shall not be later than September 1* of each year so that it may ascertain if it has been prepared in accordance with law.

(4) The governmental subdivision shall provide and pay as promptly as funds are available to the association at least the amount of the minimum obligation each year. Any portion of this amount not paid to the association at the end of any calendar year shall be increased at the rate of six percent per annum until so paid. On September 1 of any year the unpaid amount subject to interest shall be added to the obligation of the governmental subdivision.

(5) The governmental subdivision shall provide in its annual budget at least its minimum obligation and may levy taxes for the payment thereof without limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of any fund of the association has attained a specified level; the levy of such taxes shall not cause the amount of other taxes levied or to be levied by the governmental subdivision, which are subject to any such limitation, to be reduced in any amount whatsoever. If the governmental subdivision does not include the full amount of the minimum obligation in its levy for any year, the officers of the association shall certify that amount to the county auditor, who shall spread a levy in the amount of such obligation.

(6) Moneys paid by the governmental subdivision to the association in excess of the minimum amount so required shall be applied to the reduction in the unfunded liabilities of the association.

(7) The funds of the association shall be invested in securities which are proper investments for funds of the Minnesota state retirement system, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the three percent stock limitation applicable to the Minnesota state retirement system would necessitate a lesser investment. Securities held by the association before July 1, 1971, which do not meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on April 28, 1969. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board of investment under the provisions of section 11.21, provided that there be no share account described in section 11.18, subdivision 2, or in the fixed-return account described in section 11.18, subdivision 3a, and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental retirement fund may be invested in the growth share account described in section 11.18, subdivision 3.

(8) The association shall procure an actuarial survey, showing the condition of its fund pursuant to section 356.216 as of December 31, 1978, and shall procure an actuarial survey every two years thereafter. The association shall also procure a quadrennial experience study pursuant to section 356.216 as of December 31, 1978, and shall procure a quadrennial experience study every four years thereafter. A copy of the actuarial survey and the quadrennial experience study shall be filed with the director of the legislative reference library, the governing body of the municipality in which the association is organized, executive secretary of the legislative commission on pensions and retirement, and the commissioner of insurance, not later than June 1 of the following year.

Sec. 3. Minnesota Statutes 1978, Section 353.657, Subdivision 3, is amended to read:

Subd. 3. Each dependent child, until the child reaches the age of 18 years, shall receive a monthly benefit equal to ten percent of the member's average monthly salary earned as a police officer or fire fighter on which employee contributions were paid over the last full six months of allowable service preceding death. Payments for the benefit of any qualified dependent child under the age of 18 years shall be made to the surviving parent, or if there be none, to the legal guardian of (SUCH) the child. The maximum monthly benefit for any one family shall not exceed (\$450) *an amount equal to 50 percent of the member's specified average monthly salary*, and the minimum benefit per family shall not be less than 30 percent of the member's (SAID) *specified average monthly salary* (, SUBJECT TO THE AFOREMENTIONED MAXIMUM).

Sec. 4. [POLICE AND SALARIED FIREFIGHTER'S RELIEF ASSOCIATIONS.] Subdivision 1. [MEMBERSHIP OF NEW POLICE AND SALARIED FIREFIGHTERS IN THE PUBLIC EMPLOYEES POLICE AND FIRE FUND.] *Notwithstanding any law to the contrary, all persons first employed by any municipality as police officers or police officer trainees, salaried firefighters or firefighter trainees or public safety officers or public safety officer trainees after the effective date of this section shall be members of the public employees police and fire fund established by sections 353.63 to 353.68, and shall not be members of any local police or paid firefighter's relief association established or maintained by the municipality, unless the municipality elects to retain the local relief association by the adoption of a municipal resolution approved by a majority of the governing body of the municipality following the holding of a public meeting at which the views of the public are considered and a copy of the municipal resolution is filed with the secretary of state, the commissioner of finance, the commissioner of insurance and the executive secretary of the legislative commission on pensions and retirement on or before August 15, 1980.*

Subd. 2. [OPERATION OF LOCAL RELIEF ASSOCIATION UPON MODIFICATION OF RETIREMENT COVERAGE FOR NEWLY HIRED POLICE OFFICERS AND FIREFIGHTERS.] *The minimum obligation of a municipality in which the retirement coverage for newly hired police officers or salaried firefighters has been modified pursuant to subdivision 1 with respect to the local relief association shall be determined and governed in accordance with the provisions of Minnesota Statutes, Sections 69.77, 356.215 and 356.216, except that the normal cost calculation for the relief association shall be computed as a percentage of the compensation paid to the active members of the relief association. The compensation paid to persons with retirement coverage modified pursuant to subdivision 1 shall not be included in any of the computations made in determining the obligation of the municipality with respect to the local relief association.*

The contribution rate of members of the local relief association shall be governed by Minnesota Statutes, Section 69.77, unless a special law establishing a greater member contribution rate is applicable whereupon it shall continue to govern. The member contribution rate of persons with retirement coverage modified pursuant to subdivision 1 shall be governed by Minnesota Statutes, Section 353.65.

When every active member of the local relief association retires or terminates from active duty, the local relief association shall cease to exist as a legal entity and the assets of the special fund of the relief association shall be transferred to a trust fund to be established by the appropriate municipality for the purpose of paying service pensions and retirement benefits to recipient beneficiaries. If there are at least five recipient beneficiaries,

the trust fund shall be managed by a board of trustees composed of five members selected by the recipient beneficiaries of the fund, subject to the approval of the governing body of the municipality. If there are fewer than five recipient beneficiaries, the trust fund shall be managed by the governing body of the municipality. The term of the elected members of the board of trustees shall be indefinite and shall continue until a vacancy occurs in one of the board of trustee member positions. Board of trustee members shall not be compensated for their services, but shall be reimbursed for any expenses actually and necessarily incurred as a result of the performance of their duties in their capacity as board of trustee members. The municipality shall perform whatever services are necessary to administer the trust fund. The balance of assets remaining in the trust fund shall not revert to the municipality until all obligations of the trust fund are paid.

The financial requirements of the trust fund and the minimum obligation of the municipality with respect to the trust fund shall be determined in accordance with Minnesota Statutes, Sections 69.77, 356.215 and 356.216 until the unfunded accrued liability of the trust fund is fully amortized in accordance with this act. The municipality shall provide in its annual budget for at least the aggregate amount of service pensions, disability benefits, survivorship benefits and refunds which are projected as payable for the following calendar year, as determined by the board of trustees of the trust fund, less the amount of assets in the trust fund as of the end of the most current calendar year for which figures are available, valued pursuant to Minnesota Statutes, Section 356.20, Subdivision 4, Clause (1) (a), if the difference between those two figures is a positive number.

In calculating the amount of service pensions and other retirement benefits payable from the local relief association and in calculating the amount of any automatic post retirement increases in those service pensions and retirement benefits based on the salary paid or payable to active members or escalated in any fashion, the salary for use as the base for the service pension or retirement benefit calculation and the post retirement increase calculation for the local relief association shall be the salary for the applicable position as specified in the articles of incorporation or bylaws of the relief association as of the date immediately prior to the effective date of the modification of retirement coverage for newly hired personnel pursuant to subdivision 1, as the applicable salary is reset by the municipality periodically, irrespective of whether retirement coverage for persons holding the applicable position used in calculations is provided by the relief association or by the public employees police and fire fund.

If the modification of retirement coverage implemented pursuant to subdivision 1 is applicable to a local police relief association, the police state aid received by the municipality shall be disbursed pursuant to Minnesota Statutes, Section 69.031,

Subdivision 5, Clause (2) (c). If the modification of retirement coverage implemented pursuant to subdivision 1 is applicable to a local firefighters' relief association, the fire state aid received by the applicable municipality shall be disbursed as the municipality at its option may elect. The municipality may elect: (1) to transmit the total fire state aid to the treasurer of the local relief association for immediate deposit in the special fund of the relief association; or (2) to apply the total fire state aid toward the employer contribution of the municipality to the public employees police and fire fund pursuant to Minnesota Statutes, Section 353.65, Subdivision 3; or (3) to allocate the total fire state aid proportionately between the special fund of the local relief association and employer contribution of the municipality to the public employees police and fire fund on the basis of the respective number of active full time salaried firefighters receiving retirement coverage from each.

Subd. 3. [BENEFIT INCREASE FOR CERTAIN RELIEF ASSOCIATION MEMBERS.] *Notwithstanding any law to the contrary, any member of a local police or salaried firefighters' relief association located in a municipality which has not adopted a municipal resolution retaining the local relief association pursuant to subdivision 1, except the city of Minneapolis, shall be entitled to receive, after the effective date for the modification of pension coverage for newly employed personnel, a retirement annuity in addition to the service pension to which the member may be eligible upon retirement. The additional retirement annuity shall be payable for the life of the retired member. The additional retirement annuity shall be equal to one-half of one percent of the salary upon which the service pension is calculated payable on the date of termination of active service per year of service credit acquired in excess of 25 years of service credit. The retirement annuity under this subdivision shall not be subject to any post retirement increases granted pursuant to increases in the salary payable to a certain employment category or in the salaries payable to active members or be in any other manner escalated or increased after retirement.*

Subd. 4. [AUTOMATIC POST RETIREMENT ADJUSTMENTS FOR CERTAIN NEWLY EMPLOYED, ACTIVE AND RETIRED MEMBERS.] *(1) Notwithstanding any provision of law, municipal charter, municipal ordinance or resolution, or relief association articles of incorporation or bylaws to the contrary, any person who meets one of the following requirements for entitlement shall be entitled to an annual automatic post retirement adjustment in the amount of the service pension calculated pursuant to clause (2). A person meets the requirements for entitlement if:*

(a) the person is a member of a covered local police or salaried firefighters' relief association enumerated in clause (3) unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to subdivision 1, if applicable, commences receiving a service pension at an age no

earlier than attaining the age of 55 years, and has met all applicable requirements for entitlement to a service pension specified in the applicable laws and relief association articles of incorporation or bylaws governing the local relief association;

(b) the person is a retired member of a covered local police or salaried firefighters' relief association enumerated in clause (3) unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to subdivision 1, if applicable, retired on a service pension after the effective date of this section and after attaining the age of at least 50 years but prior to attaining the age of 55 years and attains the age of 55 years subsequent to retirement; or

(c) the person was a retired member on the effective date of this section of a covered local police or salaried firefighters' relief association or retirement trust fund enumerated in clause 3, unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to subdivision 1, if applicable, on the effective date of this section, is receiving a service pension, and has attained the age of at least 55 years.

(2) Any person who meets the requirements specified in clause (1)(a) or (1)(b) shall be entitled to receive the annual automatic post retirement adjustment on the January 1 next following the date upon which the requirements for entitlement are met but in no event prior to the date upon which the person attains the age of 55 years. Any person who meets the requirements specified in clause (1)(c) shall be entitled to receive the annual automatic post retirement adjustment on the January 1 next following the effective date of the approval of the benefit modification by the municipality as provided for in clause (3) or the date upon which the person attains the age of 55 years; whichever occurs later. The amount of the annual automatic post retirement adjustment shall be determined by the board of trustees of the local relief association on or before December 1 annually and the annual automatic post retirement adjustment shall accrue each year as of January 1 next following the determination date. The annual automatic post retirement adjustment shall be first payable with the service pension payment made for January. Each annual automatic post retirement adjustment in the amount of the service pension shall be equal to the dollar amount determined by applying the percentage by which the salary payable by the municipality to a top grade patrol officer or a top grade firefighter, whichever is applicable, has increased during the year subject to the limitation provided for in this clause to the amount of service pension payable to the person for the month immediately prior to the month in which the determination is made. The maximum percentage increase shall not exceed three and one-half percent in any year and any increase in the salary level of the applicable position used to govern the determination of annual automatic post retirement adjustments in excess of three and one-half percent in any year

shall not carry over to or be used to calculate the rate of salary increase for any succeeding year in which the increase in the salary of the applicable position does not exceed three and one-half percent.

(3) The provisions of this subdivision shall apply to the active members and retired members of a local police or salaried firefighters' relief association or to the retired members of a retirement trust fund contained in the following enumeration of covered relief associations if the governing body of the applicable municipality approves the modification in the benefit plan of the relief association specified in this subdivision following consideration of an actuarial valuation which is, or actuarial estimate based on the most recent actuarial valuation which was, prepared in accordance with Minnesota Statutes, Sections 356.215 and 356.216, based on the benefit plan of the applicable local relief association or retirement trust fund including the modification provided for in this subdivision, does not adopt a municipal resolution retaining the local relief association pursuant to subdivision 1, and files a resolution indicating approval of the modification in the benefit plan with the secretary of state, the commissioner of insurance and the executive secretary of the legislative commission on pensions and retirement on or before the first day of the tenth month following the effective date of this section:

- (a) Buhl police relief association;
- (b) Crookston firefighters relief association;
- (c) Crookston police relief association;
- (d) Eveleth joint retired police and firefighters retirement trust fund;
- (e) Moorhead firefighters relief association;
- (f) Moorhead police relief association;
- (g) Thief River Falls police retirement trust fund;
- (h) Virginia firefighters relief association;
- (i) West St. Paul police relief association.

Sec. 5. [LOCAL POLICE AND FIREFIGHTERS' RELIEF ASSOCIATION AMORTIZATION STATE AID.] Any municipality in which is located a local police or salaried firefighters' relief association to which the provisions of Minnesota Statutes, Section 69.77, apply, unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to section 4, subdivision 1, shall be entitled upon annual

application on or before the date specified by the commissioner of finance to receive local police and salaried firefighters' relief association amortization state aid if the municipality and the appropriate relief association both comply with the applicable provisions of Minnesota Statutes, Sections 69.031, Subdivision 5, 69.051, Subdivisions 1 and 3, and 69.77. The amount of local police and salaried firefighters' relief association amortization state aid to which a municipality is entitled annually shall be an amount equal to the level annual dollar amount required to amortize, by December 31, 2010, the unfunded accrued liability of the special fund of the appropriate relief association as reported in the most recent actuarial valuation of the relief association prepared pursuant to Minnesota Statutes 1978, Sections 356.215 and 356.216, and filed with the commissioner of insurance on the date of final enactment of this act, reduced by the dollar amount required to pay the interest on the unfunded accrued liability of the special fund of the relief association for the calendar year next following the date of final enactment of this act set at the rate specified in Minnesota Statutes 1978, Section 356.215, Subdivision 4, Clause (4). Payment of local police and salaried firefighters' relief association amortization state aid to municipalities shall be made directly to the municipalities involved in four equal installments on March 15, July 15, September 15 and November 15 annually. Upon receipt of the local police and salaried firefighters' relief association amortization state aid, the municipal treasurer shall transmit the aid amount to the treasurer of the local relief association for immediate deposit in the special fund of the relief association. The commissioner of finance shall prescribe and periodically revise the form for and content of the annual application for the local police and salaried firefighters' relief association amortization state aid. The amounts required to pay the local police and salaried firefighters' relief association amortization state aid are hereby annually appropriated from the general fund to the commissioner of finance.

Sec. 6. [TEMPORARY PROVISION; APPLICATION TO CERTAIN MUNICIPALITIES.] Any municipality in which is located a local police or salaried firefighters' relief association which is governed by Minnesota Statutes, Section 69.77, and in which all newly hired police officers or firefighters, whichever is applicable, after a certain date are required by special law to have their retirement coverage provided by the public employees police and fire fund established pursuant to Minnesota Statutes, Chapter 353, and not by the local police or firefighters' relief association, may have made applicable any other provisions of section 4, by adopting by majority vote of the governing body, a resolution implementing those provisions of section 4 which are not present in or which are in substantial conflict with the applicable special law modifying retirement coverage for new police officers or firefighters, whichever is applicable, other than the date of the modification in retirement coverage. Prior to becoming effective, a copy of the municipal resolution shall be filed with the secretary of state, the commis-

sioner of finance, the commissioner of insurance and the executive secretary of the legislative commission on pensions and retirement. To be deemed an implementing municipal resolution within the meaning of this section, the municipal resolution shall either refer to this section and the applicable subdivisions of section 4 or shall describe in summary form the modifications to be implemented.

Sec. 7. [ALTERNATIVE BENEFIT INCREASE.] Notwithstanding any provision of law to the contrary, and in lieu of the benefit increase provided for in section 4, subdivision 3, the governing body of a participating municipality, except the city of Minneapolis, is authorized by resolution approved by a majority of the members of the governing body, following consideration of an actuarial analysis of the effect of any change, to increase the service pension or retirement benefits provided by or modify any provision of the benefit plan of either a police relief association or a salaried firefighters relief association unless the municipality elects to retain the local relief association by the adoption of a municipal resolution pursuant to section 4, subdivision 1. The total cost of any increase or modification, including amortization by the applicable date to amortize specified in any prior applicable special legislation, shall not exceed 1.26 percent of covered payroll.

Sec. 8. [MINNEAPOLIS POLICE AND FIREFIGHTERS RELIEF ASSOCIATIONS: MINIMUM MEMBER CONTRIBUTION.] Notwithstanding any provision of Minnesota Statutes, Section 69.77, or any other law to the contrary, the minimum employee contribution to the special fund of the relief association for retirement and survivorship benefits by each member of the Minneapolis police relief association or the Minneapolis firefighters relief association, during the remaining term of covered employment by the member shall be seven percent of the maximum salary from which retirement and survivorship credits and amounts of benefits are determined, effective July 1, 1980, and eight percent effective January 1, 1981.

Sec. 9. [HEALTH AND WELFARE BENEFIT.] Notwithstanding any law to the contrary, any person who, after July 1, 1980, retires on a service pension or a disability benefit from the Minneapolis police relief association or the Minneapolis firefighters relief association shall be entitled on January 1, 1981, or upon the date of retirement, whichever occurs later, to receive a monthly health and welfare benefit unless the city of Minneapolis elects to retain the local relief association by the adoption of a municipal resolution pursuant to section 4, subdivision 1. The monthly health and welfare benefit shall be an amount equal to one unit as defined pursuant to Laws 1963, Chapter 315, Section 1, Subdivision 3, for the Minneapolis police relief association, or Minnesota Statutes, Section 69.45, for the Minneapolis firefighters relief association, whichever is applicable. The monthly health and welfare benefit shall be paid to the

retired member unless the retired member designates in writing that the amount be paid to an insurance carrier to defray the cost of any health or welfare related insurance coverage.

Sec. 10. [DETERMINATION OF FINANCIAL REQUIREMENTS OF RELIEF ASSOCIATION AND MINIMUM MUNICIPAL OBLIGATION.] *The officers of the Minneapolis police relief association and the Minneapolis firefighters relief association shall include in their determinations of the financial requirements of the relief association and the minimum obligation of the governmental subdivision submitted to the city of Minneapolis on or before September 1, 1980, pursuant to Minnesota Statutes, Section 69.77, Subdivision 2, Clauses (2) and (3), the cost of the health and welfare benefit as estimated by the actuary of the respective relief association based on the most recent actuarial valuation of the relief association prepared pursuant to Minnesota Statutes, Sections 69.77, 356.215 and 356.216. The city of Minneapolis shall provide sufficient financial support to each relief association to meet the minimum obligation of the governmental subdivision including the cost of the health and welfare benefit, effective January 1, 1981.*

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 424A.02, is amended by adding a subdivision to read:

Subd. 9a. [POST RETIREMENT INCREASES.] Notwithstanding any provision of general or special law to the contrary, a volunteer firefighters' relief association may, from time to time, with municipal approval pursuant to subdivision 10 and section 69.772, subdivision 6, or section 69.773, subdivision 6, whichever is applicable, provide a post retirement increase to retired members and other retirement benefit recipients of the relief association. The post retirement increase may only be granted pursuant to an amendment to the bylaws of the relief association and shall be applicable only to retired members and other retirement benefit recipients receiving a service pension or retirement benefit as of the effective date of the bylaw amendment. The authority to provide a post retirement increase to retired members and other retirement benefit recipients of a relief association contained in this subdivision shall supersede any prior special law authorization relating to the provision of post retirement increases.

Sec. 12. Minnesota Statutes, 1979 Supplement, Section 424A.04, is amended to read:

424A.04 [VOLUNTEER RELIEF ASSOCIATIONS; BOARD OF TRUSTEES.] Every volunteer firefighters' relief association shall be managed by a board of trustees consisting of nine members. Six trustees shall be elected from the membership of the relief association and three trustees shall be drawn from the officials of the municipality which has a fire

department to which the relief association is directly associated or the municipality which contracts or the municipalities which contract with the independent nonprofit firefighting corporation of which the relief association is a subsidiary. *The bylaws of a volunteer firefighters' association may provide that one of the six trustees required to be elected from the membership of the relief association may be a retired member of the relief association receiving a monthly pension elected by the membership of the fire department.* The ex officio trustees, if the relief association is directly associated with the fire department of a municipality, shall be the mayor, the clerk or clerk-treasurer, and the chief of the municipal fire department. The ex officio trustees, if the relief association is a subsidiary of an independent nonprofit firefighting relief corporation, shall be three elected officials of the contracting municipality designated by the governing body of the municipality if only one municipality contracts with the independent nonprofit firefighting corporation, two elected officials of the largest municipality in population and one elected official of the next largest municipality in population designated by the governing bodies of the applicable municipalities if two municipalities contract with the independent nonprofit firefighting corporation, or one elected official of each of the three largest municipalities in population designated by the governing bodies of the applicable municipalities if three or more municipalities contract with the independent nonprofit firefighting corporation. An ex officio trustee shall have all of the rights and duties accorded to any other trustee except the right to be an officer of the board of trustees. A board shall have at least three officers, which shall be a president, a secretary and a treasurer. These officers shall be elected from among the elected trustees by either the full board of trustees or by the membership, as specified in the bylaws, and in no event shall any trustee hold more than one officer position at any one time. The terms of the elected trustees and of the officers of the board shall be specified in the bylaws of the relief association but shall not exceed three years. If the term of the elected trustees exceeds one year, the election of the various trustees elected from the membership shall initially and shall thereafter continue to be staggered on as equal a basis as is practicable.

It shall be the duty of the board of trustees to faithfully administer any provisions of statute or special law applicable to the relief association without prejudice and consistent with the expressed intent of the legislature. The members of the board shall act as trustees with a fiduciary obligation to the state of Minnesota which authorized the creation of the relief association, the taxpayers who aid in its financing and the firefighters who are its beneficiaries.

Sec. 13. [HIBBING; AUTHORIZATION FOR SEPARATE RELIEF ASSOCIATIONS FOR SALARIED AND VOLUNTEER FIREFIGHTERS.] *Subdivision 1. Notwithstanding any provisions of any law to the contrary, the city of Hibbing*

may establish and maintain or continue to maintain two separate relief associations for firefighters employed by or serving with the Hibbing municipal fire department. One relief association shall provide retirement benefit coverage for regular salaried firefighters employed by the Hibbing municipal fire department and the other relief association shall provide retirement benefit coverage for volunteer firefighters serving with the Hibbing municipal fire department. Any fire state aid amounts received by the city of Hibbing pursuant to Minnesota Statutes, Sections 69.011 to 69.051, shall be allocated proportionately between the two relief associations on the basis of the assessed property value, excluding mineral values, and the population pursuant to the most recent federal census, of the areas which are predominantly served by the members of each relief association, as determined by the governing body of the city of Hibbing and certified to the commissioner of insurance and the county auditor.

Subd. 2. No person who is employed by the city of Hibbing as a regular salaried firefighter, and who is a member of the Hibbing salaried firefighters relief association to which Minnesota Statutes, Section 69.77, applies, shall be entitled while so employed after the effective date of this section to be a member of or to accrue any service credit in the relief association which provides retirement benefit coverage for volunteer firefighters serving with the Hibbing municipal fire department and to which Minnesota Statutes, Sections 69.771 to 69.776, apply.

Subd. 3. Any person who is prohibited from further membership in or from accruing further service credit in the volunteer firefighters' relief association which is established or maintained by the city of Hibbing and to which Minnesota Statutes, Sections 69.771 to 69.776 apply and who has not as of the effective date of this section received credit for sufficient years of service with the Hibbing municipal fire department or membership with the Hibbing volunteer firefighters' relief association to be entitled to a service pension without the benefit of this section shall be entitled when otherwise qualified to receive a proportionate service pension based on the number of completed years of service rounded to the nearest full years of service.

Sec. 14. [EVELETH POLICE OFFICERS AND FIRE-FIGHTERS.] Notwithstanding any general or specific law to the contrary, retirement benefits payable to retired police officers and firefighters by the Eveleth police and fire trust fund may be increased by \$50 per month. Survivor benefits payable to a surviving spouse or surviving dependent child may be increased by \$25 per month. Increases shall be retroactive to January 1, 1980.

Sec. 15. Any volunteer firefighters' relief association which had prior special legislative authorization to grant a post retirement increase and which approved a post retirement increase prior to the effective date of Laws 1979, Chapter 201, may grant

the post retirement increase, pursuant to section 11 of this article, effective retroactively to January 1, 1980.

Sec. 16. Minnesota Statutes 1978, Section 490.123, Subdivision 1, is amended to read:

490.123 [JUDGES' RETIREMENT FUND.] Subdivision 1. [CREATION; CONTRIBUTIONS.] There is hereby created a special fund known as the "judges' retirement fund". The fund shall be credited with all contributions, all interest and all other income authorized by law. From this fund there are appropriated the payments authorized by sections 490.121 to 490.132 in the amounts and at times provided herein, including the expenses of administering the fund. Except as provided in section 490.128, subdivision 2, each judge shall contribute to the fund from each salary payment *a sum equal to one-half of one percent of salary, plus a sum equal to the salary multiplied by the rate of employee tax under the Federal Insurance Contributions Act as defined in section 355.01, subdivision 9, but in aggregate not less than seven percent of salary.* The balance of all money necessary for administering sections 490.121 to 490.132 and the judges' retirement fund, including payment of retirement compensation and other benefits under sections 490.121 to 490.132, shall be contributed to the fund by the state. The amount required therefor is hereby annually appropriated from the general fund to the judges' retirement fund.

Sec. 17. Minnesota Statutes 1978, Section 490.124, Subdivision 1, is amended to read:

490.124 [MATURITY OF BENEFITS; RETIREMENT AND SURVIVORS' ANNUITIES.] Subdivision 1. [BASIC RETIREMENT ANNUITY.] Except as qualified hereinafter from and after mandatory retirement date, normal retirement date, early retirement date, or two years from the disability retirement date, as the case may be, a retirement annuity shall be payable to a retiring judge from the judges' retirement fund in an amount equal to: (1) two and one-half percent of the judge's final average compensation multiplied by the number of years and fractions of years of service rendered (,) prior to July 1, 1980; plus (2) three percent of the judge's final compensation multiplied by the number of years and fractions of years of service rendered after June 30, 1980; provided that such annuity shall not exceed (60) 65 percent of the judge's annual salary for the year immediately preceding his retirement.

Sec. 18. Laws 1979, Chapter 293, Section 10, Subdivision 1, is amended to read:

Sec. 10. [POST RETIREMENT ADJUSTMENT; LUMP SUM PAYMENTS.] Subdivision 1. [ENTITLEMENT.] Any person (WHO, ON OR BEFORE JULY 1, 1979, HAS AT-

TAINED THE AGE OF 65 YEARS AND) who is receiving a retirement annuity (FROM) , (OR ANY PERSON WHO IS RECEIVING) a disability benefit or a surviving spouse's annuity or benefit from a retirement fund specified in subdivision 4, clauses (1) to (5) which was computed under the laws in effect prior to June 1, 1973, if the person is receiving an annuity or benefit from the retirement fund specified in subdivision 4, clause (4), or prior to July 1, 1973, if the person is receiving an annuity or benefit from a retirement fund specified in subdivision 4, clause (1), (2), (3) or (5), and any person (WHO, ON OR BEFORE JULY 1, 1979, HAS ATTAINED THE AGE OF 65 AND) who is receiving a "\$2 bill and annuity" annuity from the retirement fund specified in subdivision 4, clause (6), shall be entitled to receive a post retirement adjustment from the applicable retirement fund in the amount specified in subdivision 3.

Sec. 19. Laws 1979, Chapter 293, Section 10, is amended by adding a subdivision to read:

Subd. 6. [TRANSFER OF APPROPRIATION; TERMINAL AUDIT.] From the amounts appropriated and apportioned pursuant to subdivision 5, there is transferred to the commissioner of finance for purposes of redistribution the specified amount from each fund indicated, as follows:

<i>highway patrol retirement fund</i>	<i>\$ 11,971</i>
<i>state employees retirement fund</i>	<i>263,100</i>
<i>public employees retirement fund</i>	<i>238,155</i>
<i>public employees police and fire fund</i>	<i>45,471</i>

From the total amount transferred to the commissioner of finance for redistribution, the commissioner shall transfer the specified amount to each fund indicated as follows:

<i>Minneapolis municipal employees retirement fund</i>	<i>\$ 25,780</i>
<i>teachers retirement fund</i>	<i>173,711</i>

The remaining balance of the appropriation transferred to the commissioner of finance following redistribution shall cancel and shall be returned to the general fund.

Each covered retirement fund as specified in subdivision 4 shall, as soon as is practical following the payment of the December 1, 1980, post retirement adjustment, calculate the amount of any appropriation apportioned to it which is in excess of the amounts required to pay the December 1, 1979, and December 1, 1980, post retirement adjustments and the post retirement ad-

justments provided for in this article. In addition, the executive secretary of the state board of investment, for covered retirement funds specified in subdivision 4, clauses (1) to (5), and the executive secretary of the Minneapolis municipal employees retirement fund, for that fund, shall calculate the amount which represents for each applicable covered retirement fund the investment income which the fund received on its portion of the appropriation calculated on the basis of the actual annual rate of investment return received on the assets of the retirement fund. The calculations required by this paragraph shall be reported to and verified by the commissioner of finance and amounts equal to these reported excess appropriation and investment income amounts shall be returned to the general fund.

The commissioner of finance is not authorized to adjust or modify any appropriation made pursuant to Laws 1979, Chapter 293, Section 10 or any amounts transferred pursuant to this act except in accordance with this subdivision.

Sec. 20. [RETROACTIVE APPLICATION.] *Any person who was not entitled to receive a lump sum post retirement adjustment on December 1, 1979, pursuant to Laws 1979, Chapter 293, Section 10, solely by virtue of not having attained the age of 65 years on or before July 1, 1979 shall be entitled to receive the lump sum post retirement adjustment which that person would have received on December 1, 1979. The adjustment shall be payable on the first day of the second month following the effective date of this section and may be included with the annuity or benefit payable on that date.*

Sec. 21. [RETIREMENT COVERAGE FOR MINNEAPOLIS CHIEF OF POLICE.] *Notwithstanding any provision of law to the contrary, the chief of the police department of the city of Minneapolis shall be excluded from either membership in the Minneapolis police relief association or the public employees police and fire fund, unless the person at the time of appointment is either a member of the Minneapolis police relief association or the public employees police and fire fund, whereupon the person may elect by irrevocable written application within 30 days of the person's appointment as chief of police to continue membership in the applicable pension fund. If the person is excluded from membership in the Minneapolis police relief association or the public employees police and fire fund by operation of this section, the city of Minneapolis may pay to the person compensation in addition to the salary allowed under any limitations imposed by law on the salaries of public employees, on the condition that the person agrees that the additional compensation shall be deposited by the city in a deferred compensation program. The additional compensation shall be a dollar amount equal to the employer contribution to meet the normal cost obligation of the Minneapolis police relief association as specified in the most recent actuarial valuation of the relief association prepared and reported pursuant to Minnesota Statutes, Sections 69.77 and*

356.215, applied to the salary payable to a first grade patrol officer.

Sec. 22. [SPECIAL RETIREMENT COVERAGE FOR MILITARY AFFAIRS DEPARTMENT PERSONNEL.] *Subdivision 1. [ELIGIBILITY; RETIREMENT ANNUITY.] An employee of the department of military affairs who is covered by the Minnesota state retirement system, who is ordered to active duty pursuant to Minnesota Statutes, Section 190.08, Subdivision 3, and who is required to retire from federal military status at the age of 60 years by applicable federal laws or regulations shall be entitled upon application, to a retirement annuity commencing at the age of 60 computed in accordance with Minnesota Statutes, Section 352.115, Subdivisions 2 and 3, without reduction pursuant to Minnesota Statutes, Section 352.116, Subdivision 1.*

Subd. 2. [DISABILITY BENEFIT.] An employee described in subdivision 1, who is less than 60 years of age and who shall become disabled and physically or mentally unfit to perform his duties due to injury, sickness or other disability, and who shall be found disqualified for retention on active duty as a result of a physical examination required by applicable federal laws or regulations, shall be entitled upon application to disability benefits computed in the same manner as specified in Minnesota Statutes, Section 352.113. Disability benefits shall be otherwise governed by Minnesota Statutes, Section 352.113, except that the age for the termination of the disability benefit shall be 60 years.

Subd. 3. [ADDITIONAL CONTRIBUTIONS.] The special retirement annuities and disability benefits authorized by this section shall be financed by an employee contribution of one percent and an employer contribution of one percent, which contributions shall be in addition to the contributions required by Minnesota Statutes, Section 352.04, Subdivisions 2 and 3, and shall be made in the manner provided for in Minnesota Statutes, Section 352.04, Subdivisions 4, 5 and 6.

Subd. 4. [ELECTION OF COVERAGE.] To be covered by the provisions of this act, any employee of the department of military affairs, described in subdivision 1, who is employed on July 1, 1980, or is first employed in such position after July 1, 1980, shall by August 1, 1980, or within 30 days of their employment, whichever is later, file a notice with the executive director of the Minnesota state retirement system on a form prescribed by the executive director stating whether or not the employee elects to be covered. Elections shall be irrevocable during any period of covered employment.

Subd. 5. [RESTRICTION ON COVERAGE.] Nothing in this section shall be construed to apply to the adjutant general.

Sec. 23. [PRIOR MODIFICATIONS IN RETIREMENT COVERAGE APPLICABLE TO CERTAIN LOCAL POLICE AND SALARIED FIREFIGHTERS RELIEF ASSOCIATIONS.] *Any actions of the city of Richfield or the city of Crystal providing by ordinance for the membership of newly employed police officers or police officer trainees, or firefighters or firefighter trainees in the public employees police and fire fund which occurred prior to the date of final enactment of this act are ratified and confirmed.*

Sec. 24. [REPEALER.] *Laws 1979, Chapter 293, Section 10, Subdivision 2, is repealed effective retroactively to July 1, 1979.*

Sec. 25. [EFFECTIVE DATE.] *Sections 1, 2, 6, 11, 12, 15, 19 and 20 are effective the day following final enactment. Sections 3 and 17 are effective July 1, 1980. Section 4 is effective June 15, 1980. Section 16 is effective for the first pay period ending after July 1, 1980. Section 5 is effective January 1, 1981. Section 18 is effective retroactively to November 30, 1979. Sections 8, 9, 10, 13, 14 and 21 are effective on the day of compliance with Minnesota Statutes, Section 645.021, Subdivision 3. Any benefit change pursuant to section 7 is effective upon approval by the governing body of the applicable municipality and upon compliance with Minnesota Statutes, Section 645.021. Section 22 is effective July 1, 1980. Section 23 is effective the day following final enactment.*

ARTICLE XVI

MINNEAPOLIS MUNICIPAL EMPLOYEES RETIREMENT FUND

Section 1. Minnesota Statutes 1978, Section 422A.02, is amended to read:

422A.02 [RETIREMENT BOARD; MEMBERS.] A retirement board of seven members is hereby constituted which shall consist of the following:

- (1) Mayor;
- (2) The city (COMPTROLLER OR CORRESPONDING OFFICIAL) *comptroller-treasurer*;
- (3) One member of the city council selected by the council;
and
- (4) Four legally qualified voters (OF THE CITY, RESIDENTS THEREOF FOR THE PRECEDING FIVE YEARS,) to be chosen by the employees as defined in sections 422A.01 to 422A.25 who are contributors to the retirement fund created

by sections 422A.01 to 422A.25. The employees may form an association for that purpose and the employing authorities are authorized to make payroll deductions for the payment of dues to (SAID) *the* association. The persons selected shall serve for staggered terms of two years from the first of the next succeeding January after their election, and until their successors are duly elected. (SUCH) *The* selection shall be made by the employees during the first week of December of each year. Vacancies occurring by death, resignation, or removal of (SUCH) representatives shall be filled by representatives chosen by the employees.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 422A.-03, Subdivision 1, is amended to read:

422A.03 [MEETINGS; EMPLOYEES; RULES AND REGULATIONS.] Subdivision 1. The retirement board shall meet on the third Tuesday of each calendar month of each year and may adjourn from time to time. Special meetings may be held upon the call of the president. The board shall, by a four-sevenths vote of all members of the board, appoint an executive (SECRETARY) *director*, who shall have charge of the performance of the duties required by the provisions of sections 422A.01 to 422A.-25, and shall appoint other necessary (CLERICAL HELP) *employees*. If at the time of his appointment as executive (SECRETARY) *director* the appointee holds a position subject to the civil service rules and regulations of the city he shall be deemed to be on leave of absence from (SUCH) *the* civil service position during his tenure as executive secretary, and upon termination of (SUCH) service shall be returned to his permanent civil service classification. If no vacancy is available in his permanent civil service classified position, seniority shall prevail, and the person most recently certified to (SUCH) *the* position shall be returned to the permanent civil service classification held by him prior to such certification.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 422A.-03, Subdivision 2, is amended to read:

Subd. 2. The executive (SECRETARY) *director* may be removed by a four-sevenths vote of all members of the board at a meeting called for (SUCH) *that* purpose. Before exercising the power of removal (,) 15 days written notice shall be given to the executive (SECRETARY) *director* setting forth the cause for removal and stating the time and place where (SUCH) *the* charges will be heard. The hearing shall be open to the public. Other employees under the supervision of the board and employees appointed hereafter shall be subject to applicable civil service laws and rules of the city *unless the board determines that they should be unclassified*. The compensation of the executive (SECRETARY) *director* and the other employees under the supervision of the board shall be fixed by (SUCH) *the* board.

Sec. 4. Minnesota Statutes 1978, Section 422A.03, Subdivision 3, is amended to read:

Subd. 3. At the regular meeting in January each year, the board shall elect (ONE OF) *from among* its members (AS) a president, (ONE MEMBER AS) a vice president, and (ONE MEMBER AS RECORDING) a secretary, who shall hold office for one year or until successors have been elected and qualified. *The city comptroller-treasurer shall serve as treasurer of the board.* The president shall preside at all meetings at which he is present. In the absence of the president the vice president shall preside and have all powers of the president while acting as such. The recording secretary shall keep a record of all proceedings of the board, which shall be open to public inspection. At least one of the officers of the board shall be one of the representatives elected by the employees of the city to the board.

Sec. 5. Minnesota Statutes 1978, Section 422A.03, Subdivision 5, is amended to read:

Subd. 5. For the purpose of administration, except as otherwise herein provided, the executive (SECRETARY) *director*, under the direction of the board, shall perform any and all acts and make (SUCH) regulations as may be necessary and proper for the purpose of carrying out the provisions of sections 422A.01 to 422A.25.

Sec. 6. Minnesota Statutes 1978, Section 422A.05, Subdivision 1, is amended to read:

422A.05 [TRUSTEE OF FUNDS.] Subdivision 1. Except as otherwise provided by law the members of the retirement board shall be the trustees *and custodians* of the several funds created by sections 422A.01 to 422A.25 and shall have exclusive control and management of these funds, and power to invest (THE SAME, SUBJECT TO ALL THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS IMPOSED BY LAW UPON SAVINGS BANKS IN THE MAKING AND DISPOSING OF THEIR INVESTMENTS, EXCEPT CONVERTIBLE BONDS WHICH MAY BE PURCHASED AS TO RATING BUT SUBJECT TO THE ELIGIBILITY LIMITS IMPOSED BELOW FOR COMMON OR PREFERRED STOCK SUBJECT TO LIKE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS, THESE TRUSTEES SHALL HAVE FULL POWER) *them and* to hold, purchase, sell, assign, transfer, or dispose of any of the securities and investments in which any of the funds created by sections 422A.01 to 422A.25 shall have been invested as well as the proceeds of the investments, and of the money belonging to these funds.

Sec. 7. Minnesota Statutes 1978, Section 422A.05, is amended by adding a subdivision to read:

Subd. 2a. [STANDARD OF CARE.] In the discharge of their respective duties, the members of the board, the executive director, the board staff and any other person charged with the responsibility of investing money pursuant to the standards set forth in chapter 422A shall act in good faith and shall exercise that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom.

Sec. 8. Minnesota Statutes 1978, Section 422A.05, is amended by adding a subdivision to read:

Subd. 2b. [CONFLICT OF INTEREST.] No member of the board may participate in the deliberations or the voting on any matter before the board which will or is likely to result in direct, measurable personal gain to the member.

Sec. 9. Minnesota Statutes 1978, Section 422A.05, is amended by adding a subdivision to read:

Subd. 2c. The board may invest funds in corporate stocks or corporate obligations of any corporations organized under the laws of the United States or of any state of the United States or the Dominion of Canada or any province thereof and other corporations traded on the New York or American Stock Exchanges if they conform to the following provisions:

(a) *On corporate stocks:*

(1) *The market value of these investments shall not exceed 50 percent of the market value of the funds.*

(2) *Investments in any one corporation shall not exceed five percent of the market value of the funds or five percent of the total shares outstanding of any one corporation.*

(3) *Cash dividends on these investments shall have been earned and paid for the preceding five years.*

(4) *Investments which do not conform to the dividend standard contained in clause (3) may be held, but the total amount of these securities shall not exceed five percent of the total market value of the funds.*

(b) *On corporate obligations:*

(1) *The consolidated net pretax earnings of corporations other than finance corporations shall have been an average for the preceding five years at least 1.5 times the annual interest charge on total funded debt applicable to that period.*

(2) *The consolidated net pretax earnings of banks and finance corporations shall have been an average for the preceding five years at least 1.2 times the annual interest charges on total funded debt applicable to that period.*

(3) *Obligations shall be rated among the top three quality categories by a nationally recognized rating agency; or if unrated, the corporation shall have other comparably secured issues similarly rated; or the consolidated net pretax earnings of the corporation shall have been an average for the preceding five years at least twice the ratios required in clauses (a) and (b).*

Sec. 10. Minnesota Statutes 1978, Section 422A.05, Subdivision 3, is amended to read:

Subd. 3. The board shall have authority:

(1) TO MAKE SUCH LOANS AND ADVANCES OF CREDITS AND PURCHASES OF OBLIGATIONS, REPRESENTING LOANS AND ADVANCES OF CREDIT, AS ARE INSURED BY THE FEDERAL HOUSING ADMINISTRATION, AND TO OBTAIN SUCH INSURANCE;)

(2) TO MAKE SUCH LOANS SECURED BY MORTGAGES ON REAL PROPERTY, WHICH THE FEDERAL HOUSING ADMINISTRATOR HAS INSURED OR MADE A COMMITMENT TO INSURE, AND TO OBTAIN SUCH INSURANCE;) (1) *To invest in mortgage participation certificates and pools secured by first mortgages or trust deeds on improved real estate located in the United States where there is a guarantee of replacement by a note or bond of comparable value and security in the event of a default, and where the loan to value ratio for each loan does not exceed 80 percent for fully amortizable residential properties and in all other respects meets the requirements of section 61A.28, subdivision 3.*

(3) (2) To enter into any and all agency agreements necessary to enable it to invest its funds in loans, advances of credit, and obligations (INSURED BY THE FEDERAL HOUSING ADMINISTRATOR, OR WHICH HE HAS MADE A COMMITMENT TO INSURE) and to enter into any agreement or arrangement with any other of the pension and retirement systems (OF THE CITY) for the joint handling of these securities;

(4) TO PROVIDE FOR THE PRORATING OF PART OR ALL OF THE COST OF MAKING, HANDLING OR FORECLOSING OF SUCH MORTGAGES AGAINST THE EARNINGS OF SUCH MORTGAGES AND TO ESTABLISH RESERVE ACCOUNTS FROM SUCH EARNINGS TO LIQUIDATE LOSSES OR FUTURE LOSSES ON SUCH MORTGAGES;)

((5)) (3) To employ and dismiss agents, attorneys, appraisers, and others necessary for the proper handling (OR) and servicing of (SUCH MORTGAGES) *investments* and to fix their compensation or fee on (SUCH) *the* basis (AS) it may see fit for (SUCH) services rendered in connection with (SUCH MORTGAGES) *the investments*; and

((6)) (4) To do any and all things necessary to carry out the provisions of sections 422A.01 to 422A.25 in the best interest of the funds.

Sec. 11. Minnesota Statutes 1978, Section 422A.05, Subdivision 5, is amended to read:

Subd. 5. All payments from the funds created by sections 422A.01 to 422A.25 shall be (MADE) *signed* by the treasurer (OF THE CITY ONLY UPON WARRANT SIGNED BY THE), executive (SECRETARY) *director*, (OR EMPLOYEE) or other person appointed by the retirement board, and no (WARRANT) *payment* shall be (DRAWN) *made* except by order of the board duly entered in the record of its proceedings, except that the board may create a revolving fund in (SUCH) *an* amount as may be necessary to be used for the purpose of withdrawals from the fund of excess contributions; refunds to employees upon their separation from the service and for (SUCH) other purposes as may be determined by the board. The revolving fund (HEREIN PROVIDED FOR) shall be periodically reimbursed (BY WARRANT DRAWN AND SIGNED) as set forth herein. (IT SHALL BE KEPT IN THE SAME BANK OR TRUST COMPANY AS THE CITY TREASURER KEEPS OTHER RETIREMENT FUNDS.) It shall be subject to withdrawal upon check signed by the executive (SECRETARY) *director*, (OR EMPLOYEE) or other person appointed by the board. (THE REVOLVING FUND SHALL BE CONSIDERED FUNDS OF THE CITY INsofar AS IT IS NECESSARY TO BRING THEM WITHIN ANY BOND OR SECURITY FURNISHED BY SUCH BANK OR TRUST COMPANY TO PROTECT THE CITY AGAINST LOSS.)

Sec. 12. Minnesota Statutes 1978, Section 422A.06, Subdivision 1, is amended to read:

422A.06 [RETIREMENT FUND.] Subdivision 1. [CREATION; DIVISIONS OF FUND.] For the the purposes of sections 422A.01 to 422A.25 there shall be a (CITY MUNICIPAL) *Minneapolis* employees retirement fund, hereafter referred to as the retirement fund. The retirement fund shall be subdivided into (1) a deposit accumulation fund, (2) a participating share in the Minnesota adjustable fixed-benefit fund, (3) a survivor benefit fund, and (4) a disability benefit fund. Expense of administration of the retirement fund shall be paid from the

deposit accumulation fund, less (SUCH) *the* amount as the retirement board may charge against income from investments as the cost of handling the investments of the retirement fund.

Sec. 13. Minnesota Statutes 1978, Section 422A.06, Subdivision 3, is amended to read:

Subd. 3. [DEPOSIT ACCUMULATION FUND.] The deposit accumulation fund shall consist of the assets held in such fund, increased by amounts contributed by or for employees, amounts contributed by the city, amounts contributed by municipal activities supported in whole or in part by revenues other than taxes and amounts contributed by any public corporation, and by income from investments. There shall be paid from (SUCH) *the* fund the amounts required to be transferred to the Minnesota adjustable fixed-benefit fund or the disability benefit fund, refunds of contributions, death benefits payable on death before retirement not payable from the survivors' benefit fund, retirement allowances granted pursuant to Laws 1965, Chapter 688, Laws 1969, Chapter 859, and expenses of administration.

Sec. 14. Minnesota Statutes 1978, Section 422A.06, Subdivision 5, is amended to read:

Subd. 5. [VALUATION OF ASSETS; ADJUSTMENTS OF BENEFITS.] (a) For those members retiring pursuant to sections 422A.01 to 422A.25, assets equal to the required reserves as determined in accordance with a mortality table appropriate to the fund with an interest assumption of five percent, shall be transferred to the Minnesota adjustable fixed-benefit fund or the disability benefit funds as provided in subdivision 7, except for any amounts payable from the survivor benefit fund, as of date of retirement.

(b) Annuity payments shall be adjusted in accordance with the provisions of sections 422A.09 and 422A.15, except that no minimum retirement payments therein described shall include any amounts payable from the survivors' benefit fund or disability benefit fund and supplemented benefits specifically financed by statute.

(c) Notwithstanding the provisions of section 356.18 increases in annuity payments pursuant to this section will be made automatically unless written notice on a form prescribed by the board is filed with the retirement board requesting that the increase shall not be made.

(d) All annuities payable from the Minnesota adjustable fixed-benefit fund which are in effect on June 30, 1973 shall be increased in the same ratio that the actuarially computed reserve for such annuities determined by using an interest assumption of 3 1/2 percent bears to the actuarially computed reserve for

such annuities determined by using an interest assumption of five percent. The reserves upon which such increases shall be based shall be the actuarially determined reserves for all Minnesota adjustable fixed-benefit fund annuities which were in effect on December 31, 1972, in accordance with the mortality assumptions then in effect and at interest assumptions of 3 1/2 percent and five percent. (SUCH) *The* ratio of increase computed to the last full 1/100 of one percent shall be applied to all annuities payable from the Minnesota adjustable fixed-benefit fund which are in effect on June 30, 1973. Any additional annuity shall begin to accrue on July 1, 1973 and shall be considered as part of the base amount to be used in determining any increase which may become effective on January 1, 1974 under the provisions of section 11.25, subdivisions 12 and 13.

(e) All assets in the annuity stabilization reserve and suspense account shall be credited proportionately to the individual retirement funds' participation in the Minnesota adjustable fixed-benefit fund. Effective January 1, 1974 each participating fund in the Minnesota adjustable fixed-benefit fund, except the municipal employees retirement fund, shall increase the benefits in effect on June 30, 1973 by an amount that when added to the increase granted to such benefits effective July 1, 1973, equals 20 percent. The increase shall apply to accrual of benefits commencing January 1, 1974 and shall be in lieu of the adjustment provided by *Minnesota Statutes, 1973 Supplement*, Section 11.25, Subdivisions 12 and 13 scheduled to take effect January 1, 1974. The municipal employees retirement fund of Minneapolis shall determine the increase if any in accrual of benefits commencing January 1, 1974, determined on the basis of its entire participation in the manner provided in *Minnesota Statutes, 1973 Supplement*, Section 11.25, Subdivisions 12 and 13 (AS AMENDED BY LAWS 1973, CHAPTER 7).

(f) The actuary for each participating fund shall calculate the reserve required to support the benefits in effect on June 30, 1973 as increase July 1, 1973 and herein. As of December 31, 1973, each participating fund shall transfer to or from the Minnesota adjustable fixed-benefit fund assets so that its participation equals the total of such required reserves and the reserve for benefits authorized on or after July 1, 1973. The increased benefits accruing as of January 1, 1974 shall be considered the "originally determined benefits" for the purpose of future adjustments.

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 422A.08, Subdivision 2, is amended to read:

Subd. 2. Prior to August 31 of each year the retirement board shall prepare an itemized statement of its financial requirements from tax revenue for the succeeding fiscal year. A copy of the statement shall be submitted to the board of

estimate and taxation and to the city council prior to September 15 of each year. This statement shall include:

(1) An estimate of the administrative expense of the board less:

(a) Such amount as the board may charge against the interest income account of the fund as cost of handling the investment securities of the fund.

(b) The cost of handling the retirement benefits of any city-owned public utility, improvement project, or other municipal activities supported in whole or in part by revenues other than taxes.

(c) The cost of handling the retirement benefits of any public corporation and its employees who have availed themselves of the provisions of sections 422A.01 to 422A.25.

(2) An estimated amount not to exceed 7-1/4 percent of the salaries and wages of all employees covered by the retirement fund less any amounts contributed for current cost of future retirement benefits by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(3) The estimated amount to meet the requirements of section 422A.06, subdivision 3, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(4) The cost of all monthly survivor's benefits provided in section 422A.23 as an obligation of the city and any of its boards, departments, commission or public corporations as therein provided, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(5) Such other levies and financing as are required by law.

(6) The total of items 1, 2, and 3 above shall be increased or decreased as the case may be by any deficiency or excess of the amount of tax revenue actually collected within the preceding fiscal year under or over the amount actually determined to meet the financial requirements of the fund for such year. In no event shall the amount requested for levy exceed the total of entry age normal cost, less the amounts contributed by the employees, plus administrative expense, plus an amount necessary to amortize on a level annual dollar basis the principal

amount of the actuarial deficit by the year 2017 using an interest rate of five percent, compounded annually, plus interest upon any deficiency from the previous year's levy at the rate of (FOUR) *six* percent per annum. This limit does not apply to the requirements for survivors benefits provided in section 422A.23 nor to any levy which is administered by the retirement board pursuant to special act.

Sec. 16. Minnesota Statutes, 1979 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 and attaining at least age 60.

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 member-

ship in the fund, in accordance with the method of contribution herein provided for, plus (FOUR) *six* percent compound interest.

(3) Persons serving without pay.

(4) Persons employed on a temporary basis, as doorkeepers, ticket takers, and attendance 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 is 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 70 regardless of the provisions of the veterans preference act.

(7) 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 from and after March 30, 1978, 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 356.451 or unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing to make the required employer contributions, including any employer additional contributions, on account of that person from

revenue sources other than funds provided under the federal comprehensive training and employment act, or the person agrees in writing to make the required employer contribution in addition to the required employee contribution.

Sec. 17. [INSTRUCTIONS TO THE REVISOR.] *Subdivision 1. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "executive director" for the term "executive secretary" wherever that term appears in reference to the state board of investment, shall substitute the term "Minnesota supplemental retirement investment fund" for the term "Minnesota supplemental retirement fund" wherever that term appears, and shall substitute the term "Minnesota variable annuity investment fund" for the term "Minnesota variable annuity fund" wherever that term appears.*

Subd. 2. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute wherever the amount "four percent interest" appears in reference to the Minneapolis employees retirement fund the amount "six percent interest".

Subd. 3. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute "director" or "executive director" for "secretary" or "executive secretary" in chapter 422A.

Sec. 18. [TEMPORARY PROVISION.] *Portfolio securities held by the retirement board of the Minneapolis employees retirement fund which met statutory criteria at the time of purchase but which became nonconforming as a result of the passage of this act may be retained.*

Sec. 19. [REPEALER.] *Minnesota Statutes 1978, Sections 422A.05, Subdivisions 2 and 4; and 422A.07 are repealed.*

Sec. 20. [EFFECTIVE DATE.] *This article is effective upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3.*

ARTICLE XVII

BALLOT QUESTIONS

Section 1. Minnesota Statutes 1978, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "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 commit-

tee, 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 an individual volunteering his time on behalf of a candidate, *ballot question*, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Sec. 2. Minnesota Statutes 1978, Section 10A.01, Subdivision 7a, is amended 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 *or for the purpose of promoting or defeating a ballot question*.

Sec. 3. Minnesota Statutes 1978, Section 10A.01, Subdivision 7b, is amended 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 *or for the purpose of promoting or defeating a ballot question*. Donation in kind includes an approved expenditure.

Sec. 4. Minnesota Statutes 1978, Section 10A.01, Subdivision 10, is amended to read:

Subd. 10. "Campaign expenditure" or "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 nomination or election of a candidate *or for the purpose of promoting or defeating a ballot question*.

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 subdivision 10c;
- (b) Transfers as defined in subdivision 7a;
- (c) Services provided without compensation by an individual volunteering his time on behalf of a candidate, *ballot question*, political committee, or political fund; or
- (d) The publishing or broadcasting of news items or editorial comments by the news media.

Sec. 5. Minnesota Statutes 1978, Section 10A.01, Subdivision 10c, is amended 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 *or to promote or defeat a ballot question*.

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 fund raising 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. 6. Minnesota Statutes 1978, Section 10A.01, Subdivision 15, is amended to read:

Subd. 15. "Political committee" means any association as defined in subdivision 3 whose major purpose is to influence the nomination or election of a candidate *or to promote or defeat a ballot question.*

"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. 7. Minnesota Statutes 1978, Section 10A.01, Subdivision 16, is amended to read:

Subd. 16. "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 nomination or election of a candidate *or for the purpose of promoting or defeating a ballot question.*

Sec. 8. Minnesota Statutes 1978, Section 10A.01, is amended by adding a subdivision to read:

Subd. 23. "Ballot question" means a question or proposition which is placed on the ballot and which may be voted on by all voters of the state. "Promoting or defeating a ballot question" includes activities related to qualifying the question for placement on the ballot.

Sec. 9. Minnesota Statutes 1978, Section 10A.12, Subdivision 1, is amended to read:

10A.12 [POLITICAL FUNDS.] Subdivision 1. 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 approved or independent expenditure *or expenditure to promote or defeat a ballot question* unless the transfer or expenditure is made from a political fund.

Sec. 10. Minnesota Statutes 1978, 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, 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 or *ballot questions*, 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, *identification of the ballot question which the expenditure is intended to promote or defeat*, 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 re-

ported 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) 10A.01, *subdivision 10c* 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. 11. Minnesota Statutes 1978, Section 10A.20, Subdivision 6, is amended to read:

Subd. 6. Every candidate who does not designate and cause to be formed a principal campaign committee, and any individual who makes independent expenditures or expenditures expressly advocating the approval or defeat of a ballot question in aggregate in excess of \$100 in any year, shall file with the board a report containing the information required by subdivision 3. Reports required by this subdivision shall be filed on the dates on which reports by committees and funds are filed.

Sec. 12. Minnesota Statutes 1978, Section 10A.32, Subdivision 3, is amended to read:

Subd. 3. As a condition of receiving any (MONEYS) money 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 and contributions and expenditures to promote or defeat a ballot question which are 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. 13. Minnesota Statutes 1978, Section 210A.26, Subdivision 3, is amended to read:

Subd. 3. [STATEMENTS OF POLITICAL COMMITTEES.] Statements shall also be made by any political committee showing the total amount of receipts and disbursements, and for what purpose such disbursements were made. Such statement shall be filed within 30 days after any primary, municipal, or general election:

(a) When the committee is organized to support a candidate for a federal office with the filing officer of such candidate;

(b) When the committee is organized to support a candidate for a judicial district or county office with the auditor of the county in which such committee has its headquarters;

(c) (WHEN THE COMMITTEE IS ORGANIZED TO SUPPORT OR OPPOSE ANY CONSTITUTIONAL AMENDMENT WITH THE SECRETARY OF STATE;)

((D)) When the committee is organized to support a candidate for municipal office in municipalities having more than 20,000 population (OR TO SUPPORT OR OPPOSE PROPOSITIONS IN ELECTIONS IN SUCH MUNICIPALITIES) with the filing officer of the municipality.

Sec. 14. Minnesota Statutes 1978, Section 210A.26, is amended by adding a subdivision to read:

Subd. 6. [BALLOT QUESTIONS.] Any individual, political committee, association or corporation that makes any contribution or expenditure to promote or defeat a ballot question shall file reports as required by this subdivision. Reports shall be filed at the times required for filing financial statements under subdivision 1. Reports shall be filed with the official responsible for placing the question on the ballot. Each report shall show the following information, covering the period from the last report to seven days before the filing date:

(a) The name and address of each committee, individual, or other person to whom aggregate contributions or expenditures in excess of \$100 have been made to promote or defeat a ballot question, together with the amount, date and purpose of the contribution or expenditure;

(b) The total amount of contributions and expenditures made to promote or defeat a ballot question; and

(c) Identification of the ballot question which the individual, political committee, association or corporation seeks to promote or defeat.

The secretary of state shall prescribe the form for reports required under this subdivision and may do so without adopting rules pursuant to chapter 15.

For the purpose of this subdivision:

(1) *“Ballot question” means a question or proposition, other than a ballot question as defined in section 10A.01, subdivision 23, which is placed on the ballot and which may be voted on by the voters of one or more political subdivisions of the state; and*

(2) *A contribution or expenditure for activities related to qualifying a question for placement on the ballot is a contribution or expenditure to promote or defeat the ballot question.*

Sec. 15. Minnesota Statutes 1978, Section 210A.34, Subdivision 1, is amended to read:

210A.34 [CORPORATIONS NOT TO CONTRIBUTE TO POLITICAL CAMPAIGN; PERMITTED ACTIVITIES; REPORTS; PENALTIES.] Subdivision 1. It shall be unlawful for any corporation doing business in this state to (PAY OR CONTRIBUTE OR) *make any contribution or to offer, consent or agree to (PAY OR CONTRIBUTE) make any contribution, directly or indirectly, of any money, property, free service of its officers or employees or thing of value to any political party, organization, committee or individual (FOR ANY POLITICAL PURPOSE WHATSOEVER, OR) to promote or defeat the candidacy of any person for nomination, election, or appointment to any political office. For the purpose of this subdivision, “contribution” includes an expenditure to promote or defeat the election or nomination of any candidate to any political office which 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 a candidate, his principal campaign committee or his agent.*

Sec. 16. Minnesota Statutes 1978, Section 210A.34, is amended by adding a subdivision to read:

Subd. 1a. It shall be unlawful for any corporation doing business in this state to make any independent expenditure or to offer, consent or agree to make any independent expenditure to promote or defeat the candidacy of any person for nomination, election or appointment to any political office. For the purpose of this subdivision, “independent expenditure” means an expenditure which is not made with the authorization or expressed or implied consent of, or in cooperation or concert with, or at the request or suggestion of, a candidate, his principal campaign committee or his agent.

Sec. 17. Minnesota Statutes 1978, Section 210A.34, is amended by adding a subdivision to read:

Subd. 1b. A corporation doing business in this state may make contributions or expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot, or to express its views on issues of public concern. But no such contribution shall be made to any candidate for nomination, election or appointment to a political office or to any committee organized wholly or partly to promote or defeat such a candidate.

Sec. 18. Minnesota Statutes 1978, Section 210A.34, is amended by adding a subdivision to read:

Subd. 1c. Nothing in this section shall be construed to prohibit publication or broadcasting of news items or editorial comments by the news media.

Sec. 19. [EFFECTIVE DATE.] *This article is effective the day following final enactment.*

ARTICLE XVIII

GASOHOL

Section 1. Minnesota Statutes 1978, Section 296.01, is amended by adding a subdivision to read:

Subd. 24. "Agricultural alcohol gasoline" means a gasoline blend at least ten percent of which is agricultural ethyl alcohol of at least 190 proof.

Sec. 2. Minnesota Statutes 1978, Section 296.02, is amended by adding a subdivision to read:

Subd. 7. The tax on gasoline imposed by subdivision 1 shall be reduced by four cents per gallon for gasoline which is agricultural alcohol gasoline as defined in section 1, which is blended by a distributor with alcohol distilled in this state from agricultural products produced in this state, and which is used in producing and generating power for propelling motor vehicles used on the public highways of this state. The tax imposed by this subdivision shall be payable at the same time, and collected in the same manner, as the tax imposed by subdivision 1. The reduction in gasoline taxes imposed by this subdivision shall expire on December 31, 1984.

Sec. 3. [EFFECTIVE DATE.] *This article is effective May 1, 1980.*

ARTICLE XIX

MISCELLANEOUS

Section 1. Minnesota Statutes 1978, Section 10.39, Subdivision 1, is amended to read:

10.39 [LOANS, DUES; DEDUCTIONS FROM SALARIES.] Subdivision 1. The heads of the various departments of the government of the state of Minnesota are hereby authorized, by and with the written consent of any employee of any state department, to deduct from the salary of such employee such sum or sums as may be agreed to by such employee for the payment of any moneys to any state employees' credit union, or the *Minnesota Benefit Association* or to any organization contemplated by the provisions of section 179.65, of which the employee is a member; provided, that where an employee is a member of more than one such credit union or more than one such organization, only one credit union and one organization may be paid money by payroll deduction from the employee's salary; and provided further, that no deduction shall be made from the salary of any state employee for payment to any credit union or organization hereinbefore referred to unless there are at least 100 state employees who have deductions made from their salaries for payment to such credit union or organization. Provided however, that the above noted numerical requirement shall not apply to present and prospective members of credit unions and organizations which received authorized payroll deduction payments on the effective date of this act.

Sec. 2. Minnesota Statutes 1978, Section 117.155, is amended to read:

117.155 [PAYMENTS; PARTIAL PAYMENT PENDING APPEAL.] Except as otherwise provided herein payment of damages awarded may be made or tendered at any time after the filing of the report; and the duty of the petitioner to pay the amount of any award or final judgment upon appeal shall, for all purposes, be held and construed to be full and just compensation to the respective owners or the persons interested in the lands. If either the petitioner or any respondent appeals from an award, the respondent or respondents, if there is more than one, except encumbrancers having an interest in the award which has been appealed, may demand of the petitioner a partial payment of the award pending the final determination thereof, and it shall be the duty of the petitioner to comply with such demand and to promptly pay the amount demanded but not in excess of an amount equal to three-fourths of the award of damages for the parcel which has been appealed, less any payments made by petitioner pursuant to section 117.042; provided, however, that the petitioner may by motion after due notice to all interested parties request, and the court may order, reduction in the amount of the partial payment for cause shown. If an appeal is taken

from an award the petitioner may, but it cannot be compelled to, pay the entire amount of the award pending the final determination thereof. If any respondent or respondents having an interest in the award refuses to accept such payment the petitioner may pay the amount thereof to the clerk of district court to be paid out under direction of the court. A partial or full payment as herein provided shall not draw interest from the condemnor from the date of payment or deposit, and upon final determination of any appeal the total award of damages shall be reduced by the amount of the partial or full payment. If any partial or full payment exceeds the amount of the award of compensation as finally determined, the petitioner shall have a claim against the respondents receiving such payment for the amount thereof, to be recoverable in the same manner as in any civil action.

Sec. 3. Minnesota Statutes 1978, Section 296.14, is amended by adding a subdivision to read:

Subd. 4. Notwithstanding the provisions of this section, the producer of ethyl alcohol which is produced for personal use and not for sale in the usual course of business shall report and pay the tax on all ethyl alcohol delivered into the supply tank of a licensed motor vehicle during the preceding calendar year. The tax shall be reported and paid together with the income tax return of the taxpayer. The commissioner of revenue shall transfer the amount collected in each calendar year to the highway user tax distribution fund by March 30 of the following taxable year. Any producer, qualifying under this subdivision, shall be exempt from the licensing requirements contained in section 296.01, subdivision 1.

Sec. 4. Minnesota Statutes 1978, Section 297.03, Subdivision 6, is amended to read:

Subd. 6. [TAX METER MACHINES.] (1) The commissioner may authorize any person licensed as a distributor to stamp packages with a tax meter machine, approved by him, which shall be provided by the distributor. He may provide for the use of such a machine by the distributor, supervise and check its operation, provide for the payment of the tax on any package so stamped, subject to the discount provided in subdivision 5, and in that connection require the furnishing of a corporate surety bond in a suitable amount to guarantee the payment of the tax.

(2) *The commissioner may authorize any person licensed as a distributor to stamp packages with a heat-applied tax stamping machine, approved by him, which shall be provided by the distributor. The commissioner shall supervise and check the operation of the machines and shall provide for the payment of the tax on any package so stamped, subject to the discount provided in subdivision 5. The commissioner may sell heat-ap-*

plied stamps on a credit basis under conditions prescribed by him, and in that connection require the furnishing of a corporate surety bond in an amount suitable to guarantee payment of the tax stamps so purchased by a distributor. The stamps shall be sold by the commissioner at a price which includes the tax after giving effect to the discount provided in subdivision 5.

Sec. 5. Minnesota Statutes 1978, Chapter 298, is amended by adding a section to read:

[298.75] [GRAVEL REMOVAL; PRODUCTION TAX.]

Subdivision 1. A county may impose upon every person, firm, corporation or association, hereafter referred to as "operator," engaged in the business of removing gravel for sale from gravel pits or deposits, a production tax in an amount not to exceed ten cents per cubic yard of gravel removed.

Subd. 2. On October 1, 1980, and thereafter on the first day of each calendar quarter in each county in which a tax is imposed pursuant to this section, every operator shall make and file with the county auditor of the county in which the gravel is removed, a correct report under oath, in such form and containing such information as the auditor shall require relative to the quantity of gravel removed during the preceding calendar quarter. The report shall be accompanied by a remittance of the amount of tax due.

Subd. 3. If any operator fails to make the report required by subdivision 2 or files an erroneous report, the county auditor shall determine the amount of tax due and notify the operator by registered mail of the amount of tax so determined. An operator may, within 30 days from the date of mailing the notice, file in the office of the county auditor a written statement of objections to the amount of taxes determined to be due. The statement of objections shall be deemed to be a petition within the meaning of Minnesota Statutes, Chapter 278, and shall be governed by sections 278.02 to 278.13.

Subd. 4. Failure to file the report shall result in a penalty of \$5 for each of the first 30 days, beginning on the fourteenth day after the date when the county auditor has sent notice to the taxpayer as provided in subdivision 3, during which the report is overdue and no statement of objection has been filed. For each subsequent day during which the report is overdue and no statement of objection has been filed, a penalty of \$10 shall be assessed against the person who is required to file the report. The penalties imposed by this subdivision shall be collected as part of the tax. If neither the report nor a statement of objection has been filed after more than 60 days have elapsed from the date when the notice was sent, the person who is required to file the report is guilty of a misdemeanor.

Subd. 5. It is a misdemeanor for any operator to remove gravel from a pit or deposit unless all taxes due under this section have been paid or objections thereto have been filed pursuant to subdivision 3.

Subd. 6. All moneys collected as taxes under this section shall be deposited in the county treasury and credited as follows, for expenditure by the county board:

(a) Sixty percent to the county road and bridge fund for expenditure for the maintenance, construction and reconstruction of roads traveled by vehicles hauling gravel;

(b) Thirty percent to the town road and bridge fund, for expenditure for maintenance, construction and reconstruction of roads traveled by vehicles hauling gravel, in a manner determined by the county; and

(c) Ten percent to a special reserve fund which is hereby established, for expenditure for the restoration of abandoned gravel pits or deposits upon lands to which the county holds title or upon tax forfeited lands within the county.

Sec. 6. Minnesota Statutes 1978, Chapter 298, is amended by adding a section to read:

[298.76] Section 5 shall not supersede any local law.

Sec. 7. [FARM WINERY LICENSES.] Subdivision 1. For purposes of this section and of section 8:

(a) "Farm winery" means a winery operated by the owner of a Minnesota farm and producing table or sparkling wines from grapes, grape juice, other fruit bases or honey with a majority of the ingredients grown or produced in Minnesota.

(b) "Table or sparkling wines" means a beverage made without rectification or fortification and containing not more than 25 percent of alcohol by volume and made by the fermentation of grapes, grape juice, other fruits or honey.

Subd. 2. The commissioner of public safety may issue a farm winery license to the owner or operator of a farm winery located within the state and producing table or sparkling wines. Licenses shall be issued and renewed on an annual basis upon payment of a fee of \$25, which shall be in lieu of all other license fees required by Minnesota Statutes, Chapter 340.

Subd. 3. A license shall authorize the sale on the farm winery premises of table or sparkling wines produced by that farm winery at on-sale or off-sale in retail or wholesale lots, in total

quantities not in excess of 50,000 gallons in any calendar year, glassware, wine literature and accessories, and the dispensing of free samples of the wines offered for sale. Sales at on-sale and off-sale may be made on Sundays between 12 o'clock noon and 12 o'clock midnight. Labels for each type or brand produced shall be registered with the commissioner, without fee, prior to the sale thereof.

Subd. 4. Except as otherwise specified in this section, all provisions of Minnesota Statutes, Chapter 340 shall govern the production, sale, possession and consumption of table or sparkling wines produced by a farm winery.

Subd. 5. If Minnesota produced or grown grapes, grape juice, other fruit bases or honey is not available in quantities sufficient to constitute a majority of the table or sparkling wine produced by a farm winery, the holder of the farm winery license may file an affidavit stating this fact with the commissioner of public safety. If the commissioner determines, after consultation with the commissioner of agriculture, this to be true, the farm winery may use imported products and shall continue to be governed by the provisions of this section and section 8. The affidavit is effective for a period of one year, after which time the farm winery shall use the required amount of Minnesota products as provided by subdivision 1 unless the farm winery holder files a new affidavit with the commissioner.

Sec. 8. [TAXATION.] In lieu of all taxes imposed by Minnesota Statutes, Section 340.47, there shall be levied and collected on all table or sparkling wines manufactured or produced by a Minnesota farm winery, the following excise tax:

(a) Wines containing 14 percent or less of alcohol by volume, the sum of 4 cents per liter;

(b) Wines containing more than 14 percent of alcohol by volume, the sum of 13 cents per liter.

Payment and collection of taxes imposed by this section shall be governed by Minnesota Statutes, Chapter 340.

Sec. 9. Minnesota Statutes 1978, Section 340.47, Subdivision 1, is amended to read:

340.47 [EXCISE TAX.] Subdivision 1. [ON INTOXICATING LIQUORS.] There shall be levied and collected on all intoxicating liquors manufactured, imported, sold or in possession of any person in this state, except as herein provided by sections 340.50 and 340.601, and except the natural fermentation of fruit juices in the home for family use the following excise tax:

(1) On all table wine containing 14 percent or less of alcohol by volume, the sum of 27 cents per gallon;

(2) On all wines containing more than 14 percent and not exceeding 21 percent of alcohol by volume, the sum of 79 cents per gallon;

(3) On all wines containing more than 21 percent and not exceeding 24 percent of alcohol by volume, the sum of \$1.58 per gallon;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of \$3.08 per gallon;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of (\$3.08) \$1.50 per gallon;

(6) On all other distilled spirituous liquors, liqueurs, cordials, and liquors designated as specialties regardless of alcoholic content, the sum of \$4.39 per gallon, but not including ethyl alcohol; provided, that in computing the tax on any package of spirits a proportional tax at a like rate on all fractional parts of a gallon shall be paid except that all fractional parts of a gallon less than one-sixteenth shall be taxed at the same rate as shall be taxed for one-sixteenth of a gallon; provided, however, that the contents of miniatures containing two fluid ounces or less shall be taxed 12 cents.

Sec. 10. Minnesota Statutes 1978, Section 340.47, Subdivision 1a, is amended to read:

Subd. 1a. [METRIC CONTAINERS.] In lieu of the tax imposed by subdivision 1, there shall be levied and collected on all intoxicating liquors manufactured, imported, sold or in possession of any person in this state when packaged in containers where the net contents is stated in metric units of measure, except as herein provided by sections 340.50 and 340.601, and except the natural fermentation of fruit juices in the home for family use the following excise tax:

(1) On all table wine containing 14 percent or less of alcohol by volume, the sum of seven cents per liter;

(2) On all wines containing more than 14 percent and not exceeding 21 percent of alcohol by volume, the sum of 21 cents per liter;

(3) On all wines containing more than 21 percent and not exceeding 24 percent of alcohol by volume, the sum of 42 cents per liter;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of 81 cents per liter;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of (81) 40 cents per liter;

(6) On all other distilled spirituous liquors, liqueurs, cordials, and liquors designated as specialties regardless of alcoholic content, the sum of \$1.16 per liter, but not including ethyl alcohol; provided, that in computing the tax on any package of intoxicating liquors where the net contents is stated in metric units of measure, a proportional tax at a like rate on all fractional or multiple parts of a liter shall be paid, provided, however, that the contents of miniatures containing 50 milliliters or less shall be taxed 12 cents.

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 471.665, Subdivision 1, is amended to read:

471.665 [MILEAGE ALLOWANCES.] Subdivision 1. The maximum amount which shall be paid by any county, home rule charter or statutory city, town, or school district, to any officer or employee as compensation or reimbursement for the use by the officer or employee of his own automobile in the performance of his duties shall be set by the town board or other governing body of the unit in an amount (NOT EXCEEDING THAT PROVIDED) *to be determined* by the (COMMISSIONER OF PERSONNEL FOR STATE OFFICERS AND EMPLOYEES) *the governing body*.

Sec. 12. Minnesota Statutes 1978, Section 471.665, Subdivision 3, is amended to read:

Subd. 3. *In lieu of the mileage allowance provided in subdivision 1, the governing body or town board of any city, county, town, or school district may pay any officer or employee thereof as compensation or reimbursement for the use by (SUCH) the officer or employee of his own automobile in the performance of his official duties (SUCH MILEAGE ALLOWANCES AS THE GOVERNING BODY OR TOWN BOARD MAY PRESCRIBE AND MAY PROVIDE) a monthly or periodic allowance (IN LIEU OF MILEAGE); but no (SUCH) allowance in lieu of mileage shall be paid to the members of (SUCH) the governing body or town board except as otherwise provided by special law or home rule charter.*

Sec. 13. [REPEALER.] *Minnesota Statutes, 1979 Supplement, Section 340.47, Subdivision 1b, is repealed.*

Sec. 14. [APPROPRIATION.] *The sum of \$30,000 is appropriated annually from the general fund in the state treasury to the commissioner of revenue for the purchase of heat-applied stamps.*

Sec. 15. [EFFECTIVE DATE.] *Section 2 applies to all partial payments on deposit with the court on its effective date and to partial payments deposited thereafter. Sections 5 and 6 are effective for gravel removed from pits or deposits after June 30, 1980.*

ARTICLE XX

DEPARTMENT APPROPRIATIONS

Section 1. [APPROPRIATION.] *There is appropriated from the general fund to the commissioner of revenue for the purpose of funding the study of railroad gross earnings taxes, the amount of \$150,000 for fiscal year 1980. This amount shall be reduced by any amount otherwise appropriated for this purpose during this legislative session.*

Sec. 2. [APPROPRIATION.] *There is appropriated from the general fund to the commissioner of revenue for the purpose of implementing tax changes in Laws 1979, Chapter 303, the amount of \$92,600 for fiscal year 1980 and \$92,600 for fiscal year 1981. This amount shall be reduced by any amount otherwise appropriated for this purpose during this legislative session.*

Sec. 3. [APPROPRIATION.] *There is appropriated from the general fund to the commissioner of revenue the amount of \$100,000 to be available through June 30, 1981. This appropriation is for the purpose of implementing the sales ratio study design recommendations made in the 1980 legislative report entitled "Property Tax Equalization in Minnesota: A Review of the Sales Ratio Study."*

Notwithstanding any law to the contrary, the commissioner of revenue may negotiate with private consultants for the development of the sales ratio study system.

The recommended design changes shall be used in computing the 1980 adjusted assessed valuations as provided in Minnesota Statutes 1978, Section 124.212, Subdivision 10, Clause (a) and they shall be completed by March 15, 1981. The revenue department shall also compute the 1980 adjusted assessed valuations using the same methodology as had been used for the previous year's valuations and shall report them to the legislature by March 15, 1981. The commissioner of revenue shall report his progress to the legislature in the development of this sales ratio system by July 1, 1980; October 1, 1980; and January 15, 1981. This appropriation shall be reduced by any amount otherwise appropriated for this purpose during this legislative session."

Delete the title and insert:

"A bill for an act relating to the operation and financing of state and local government; adopting certain federal income

tax changes; allowing a subtraction of certain interest and dividend income; increasing the pension exclusion; adopting technical and conforming amendments to income tax and property tax refund provisions; providing an income tax credit for contributions to candidates for federal offices; providing a definition of "quadriplegic"; increasing low income credit amounts, eliminating indexing of that credit, and allowing it to be taken as an alternative tax; modifying provisions of the renewable energy source credit; authorizing deduction of certain interest; increasing the dependent care credit; allowing involuntary conversion treatment of divestitures required by the F.C.C.; authorizing a non-game wildlife income tax refund checkoff; providing for treatment of small business corporations; providing for taxation of mobile homes; increasing the state share of certain income maintenance payments; providing for taxation of airport concessions; eliminating certain property tax exemptions; adjusting property tax classifications and assessment ratios; increasing the homestead credit; allowing homestead of surviving spouse to retain 3cc classification; adjusting levy limitations; requiring study of agricultural land valuations; modifying the administration of the property tax refund; providing relief for substantial homestead net property tax increases in 1981; requiring state reimbursement of local taxing districts for reduced property tax revenue due to reduced assessment properties; providing certain state and local sales tax exemptions; authorizing certain carriers to be treated as common carriers; providing technical and conforming amendments to tax increment financing provisions; providing for adjustments to captured assessed values and original assessed values; authorizing assessment agreements; restricting use of proceeds of taconite production tax to the taconite relief area; providing for membership of IRRRB; altering source and distribution of certain payments related to taconite taxes; restating apportionment of imputed income under occupation tax provisions; adjusting maximum interest rates on industrial revenue bonds and municipal bonds; increasing limit on issues requiring public sales; eliminating minimum tax on corporations and specific exemption for corporations; providing for taxation of utility property on situs basis; adjusting computation of credit paid to owners of rights of way; restricting procedure for appeals of special assessments; requiring collection of certain debts owed to the state by taking tax refunds; increasing the metropolitan transit levy authorization; creating a joint commuter rail study commission; providing for a study of light rail transit; recodifying the laws governing the state board of investment; altering standards for the investment of state and pension assets; modifying public employee pension provisions and funding mechanisms; making certain changes in the Minneapolis employees retirement fund; authorizing contributions by corporations in relation to ballot questions; allowing deductions from state employees salaries for the Minnesota benefit association; restricting interest related to condemnation actions; providing for taxation of ethyl alcohol; reducing the excise tax on gasohol; authorizing heat-applied cigarette tax stamps; pro-

viding county option to impose gravel tax; authorizing licensure of farm wineries and providing for excise tax on wine produced on farm wineries; making reduction of excise tax on sparkling wines permanent; allowing local government to set mileage reimbursement rates; appropriating funds; providing penalties; amending Minnesota Statutes 1978, Sections 10.39, Subdivision 1; 10A.01, Subdivisions 7, 7a, 7b, 10, 10c, 15, 16, and by adding a subdivision; 10A.12, Subdivision 1; 10A.20, Subdivisions 3 and 6; 10A.32, Subdivision 3; 69.77, Subdivision 2, as amended; 69.775; 117.155; 124.212, Subdivisions 2 and 8a; 124.46, Subdivision 4; 167.42; 167.50, Subdivision 2; 168.012, Subdivision 9; 193.146, Subdivision 4; 210A.26, Subdivision 3, and by adding a subdivision; 210A.34, Subdivision 1, and by adding subdivisions; 272.01, Subdivision 2; 273.13, Subdivisions 3, 8a, 9, and 17b; 273.135, Subdivision 2; 273.19, Subdivision 1; 273.36; 273.37, Subdivision 2; 275.11, Subdivision 2; 275.28, Subdivision 3; 275.51, by adding a subdivision; 275.52, Subdivisions 2 and 5; 276.04; 290.01, by adding a subdivision; 290.06, Subdivision 1; 290.067, Subdivision 2; 290.08, Subdivision 24; 290.09, Subdivisions 2 and 28; 290.095, by adding a subdivision; 290.13, by adding a subdivision; 290.17, by adding a subdivision; 290.26, Subdivision 2; 290.49, Subdivision 10; 290.971, Subdivisions 1, 3 and 6; 290.972, Subdivisions 1, 3 and 5; 290A.04, by adding a subdivision; 290A.06; 290A.11, by adding a subdivision; 290A.17; 290A.18; 290A.19; 296.01, by adding a subdivision; 296.02, by adding a subdivision; 296.14, by adding a subdivision; 297.03, Subdivision 6; 297A.01, Subdivision 4; 297A.211, Subdivision 1; 298.17; 298.22, Subdivision 2; 298.223; 298.28, Subdivision 1; 340.47, Subdivisions 1 and 1a; 352.115, Subdivision 8; 352.23; 352.75, Subdivision 3; 352B.26, Subdivision 3; 352D.04, Subdivision 2; 352D.05, Subdivisions 3 and 4; 353.657, Subdivision 3; 353.661, Subdivision 3; 375.192, Subdivision 1; 422A.02; 422A.03, Subdivisions 3 and 5; 422A.05, Subdivisions 1, 3 and 5, and by adding subdivisions; 422A.06, Subdivisions 1, 3, and 5; 429.061, Subdivisions 1 and 2; 429.081; 462.631, Subdivision 1; 471.665, Subdivision 3; 472A.02, by adding a subdivision; 474.06; 475.55; 475.60, Subdivision 2; 475.73, Subdivision 1; 490.123, Subdivision 1; 490.124, Subdivision 1; and Chapters 273; 290; 298; and 477A, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 1; 43.064; 256.82; 256D.03, Subdivision 2; 256D.36, Subdivision 1; 272.02, Subdivision 1; 273.13, Subdivisions 4, 5a, 6, 7, 14a and 19; 273.42; 273.73, Subdivisions 7, 8, 10, 11 and 12; 273.74, Subdivision 3; 273.75, Subdivisions 1, 2, 5 and 6; 273.76, Subdivisions 1, 2, 3, and by adding subdivisions; 273.77; 273.78; 273.86, Subdivision 4; 275.125, Subdivision 9; 275.50, Subdivision 5; 275.51, Subdivision 3d; 290.01, Subdivision 20; 290.06, Subdivisions 11, 3c, 3d, 3f, and 14; 290.067, Subdivision 1; 290.081; 290.09, Subdivision 3; 290.091; 290.095, Subdivision 1; 290.14; 290.17, Subdivision 1; 290.37, Subdivision 1; 290A.03, Subdivision 3; 297A.25, Subdivision 1; 352D.02, Subdivision 1; 353.023; 422A.03, Subdivisions 1 and 2; 422A.08, Subdivision 2; 422A.09, Subdivision 3; 424A.02, by adding a subdivision; 424A.04; 471.665, Subdivision 1; 473.446,

Subdivision 1; and 473F.08, Subdivision 6; and Laws 1979, Chapter 293, Section 10, Subdivision 1, and by adding a subdivision; and Chapter 303, Article II, Section 39; and repealing Minnesota Statutes 1978, Sections 11.01; 11.015; 11.04; 11.05; 11.06; 11.08; 11.10; 11.11; 11.115; 11.117, Subdivisions 1, 2, 3, 5 and 7; 11.12; 11.13; 11.14; 11.15; 11.16; 11.17; 11.18; 11.19; 11.20; 11.21; 11.22; 11.23; 11.24; 11.25; 11.26; 11.27; 11.28; 290.21, Subdivision 2; 290.971, Subdivision 5; 360.303; 422A.05, Subdivisions 2 and 4; 422A.07; 458.53; Minnesota Statutes, 1979 Supplement, Sections 11.117, Subdivisions 4 and 6; 11.118; 11.145; 273.122; 290.23, Subdivision 16; 340.47, Subdivision 1b; and Laws 1979, Chapter 293, Section 10, Subdivision 2.”

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

House Conferees: HARRY SIEBEN, JR., JAMES R. CASSERLY, JAMES C. PEHLER, WILLIS R. EKEN and WILLIAM SCHREIBER.

Senate Conferees: BILL MCCUTCHEON, MARVIN B. HANSON, DOUGLAS J. JOHNSON, COLLIN C. PETERSON and OTTO T. BANG, JR.

Sieben, H., moved that the report of the Conference Committee on H. F. No. 1121 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1121, A bill for an act relating to taxation; updating the definition of gross income for income tax purposes for individuals, trusts and estates with certain modifications; providing for exempt-interest dividends for certain mutual funds; extending the political contribution credit to congressional and local candidates; clarifying certain definitions; providing a tax credit for energy conservation expenditures; clarifying the renewable energy source credit; increasing the dependent care credit; extending investment tax credits to family corporations; making certain changes in the minimum tax and in the treatment of small business corporations; allowing a ten year carryback of product liability losses; providing for deferral of certain gains recognized in the disposition of broadcasting property; reducing certain property tax classification ratios; increasing homestead credits; changing the property tax status of certain mobile homes; providing for delayed assessments for certain improvements; increasing homestead base value; providing a classification for neighborhood real estate trusts; adjusting levy limits and providing for certain special levies; providing for certain hearings and appeals on special assessments; clarifying property tax settlements; clarifying certain property tax refund filing due dates; extending eligibility for property tax refunds to certain claimants; providing for adjustment of property tax refunds due to abatements; providing state reimbursement for certain property; authorizing heat applied tax stamping machines; increasing the sales tax on retail sales from vending machines; pro-

viding a sales tax exemption for certain arts admissions; fixing maximum interest rates on public obligations; excepting certain debt obligations from public sale requirement; appropriating money; amending Minnesota Statutes 1978, Sections 124.212, Subdivision 2; 168.012, Subdivision 9; 273.13, Subdivisions 3 and 17b, and by adding a subdivision; 275.51, by adding a subdivision; 275.52, Subdivisions 2 and 5; 276.04; 276.09; 276.10; 276.11; 290.01, by adding a subdivision; 290.09, Subdivisions 2, 24 and 28; 290.095, by adding a subdivision; 290.13, by adding a subdivision; 290.26, Subdivision 2; 290.49, Subdivision 10; 290.971, Subdivisions 1, 3 and 6; 290.972, Subdivisions 1, 3 and 5; 290A.06; 290A.11, by adding a subdivision; 290A.17; 290A.18; 290A.19; 297.03, Subdivision 6; 297A.02; 297A.25, Subdivision 1; 375.192, Subdivision 1; 429.061, Subdivisions 1 and 2; 429.081; 474.06; 475.55; 475.60, Subdivision 2; Chapters 273, by adding sections; and 298, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 273.122; 273.13, Subdivisions 4, 5a, 6, 7, 14a and 19; 275.50, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 11 and 14; 290.067, Subdivisions 1 and 2; 290.09, Subdivision 3; 290.091; 290.095, Subdivision 1; 290.14; 290.17, Subdivision 1; 290.37, Subdivision 1; 290A.03, Subdivision 3; repealing Minnesota Statutes 1978, Section 290.971, Subdivision 5; and Minnesota Statutes, 1979 Supplement, Section 290.23, Subdivision 16.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 103 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Adams	Dean	Jacobs	Mann	Pehler
Anderson, B.	Drew	Jaros	McCarron	Peterson, B.
Anderson, G.	Eken	Johnson, C.	McDonald	Peterson, D.
Anderson, I.	Elioff	Johnson, D.	McEachern	Piepho
Anderson, R.	Ellingson	Jude	Mehrkens	Prahl
Battaglia	Evans	Kahn	Metzen	Reding
Begich	Ewald	Kaley	Minne	Rees
Berglin	Faricy	Kalis	Moe	Reif
Berkelman	Fjoslien	Kelly	Munger	Rice
Blatz	Forsythe	Kempe	Murphy	Rodriguez
Brinkman	Fritz	Knickerbocker	Nelsen, B.	Rose
Byrne	Fudro	Kostohryz	Nelsen, M.	Sarna
Carlson, D.	Greenfield	Kroening	Norman	Schreiber
Carlson, L.	Halberg	Laidig	Novak	Searle
Casserly	Haukoos	Lehto	Olsen	Searles
Clark	Heap	Levi	Osthoff	Sieben, H.
Corbid	Heimitz	Long	Otis	Sieben, M.
Crandall	Hokanson	Luknic	Patton	Simoneau

Stoa	Tomlinson	Waldorf	Wenzel	Spkr. Norton
Stowell	Vanasek	Weaver	Wynia	
Swanson	Voss	Welch	Zubay	

Those who voted in the negative were:

Aasness	Den Ouden	Kvam	Redalen	Valan
Ainley	Erickson	Ludeman	Rothenberg	Valento
Albrecht	Esau	Niehaus	Sherwood	Welker
Anderson, D.	Friedrich	Nysether	Stadum	Wieser
Biersdorf	Hoberg	Onnen	Sviggum	Wigley
Dempsey	Jennings	Pleasant	Thiede	

The bill was repassed, as amended by Conference, and its title agreed to.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 2085.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2085

A bill for an act relating to public employees; creating a state department of employee relations; establishing appropriate units for state and university of Minnesota employees; providing for a right to strike; providing for interim contract approval by the legislative commission on employee relations; clarifying civil service laws; providing for health benefits; providing for a study of promotional systems; repealing duty of the revisor of statutes regarding certain collective bargaining agreements; appropriating money; amending Minnesota Statutes 1978, Sections 43.001; 43.01, Subdivision 8; 43.05, by adding a subdivision; 43.111; 43.18, Subdivision 4; 43.19, Subdivision 1; 43.245; 43.321; 43.45; 43.46; 179.63, Subdivisions 7 and 8; 179.64, Subdivisions 2, 3, 4, and 5, and by adding a subdivision; 179.67, Subdivision 4; 179.69, Subdivisions 1 and 3; 179.71, Subdivisions 3 and 5; 179.72, Subdivision 6; 179.74, Subdivisions 2 and 3; and Chapters 43 and 179, by adding sections; and Minnesota Statutes, 1979

Supplement, Sections 3.855; 43.05, Subdivision 2; 43.067, Subdivision 1; 43.19, Subdivision 1; 43.50, Subdivision 1; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5; and Laws 1979, Chapter 332, Article I, Sections 114 and 116; repealing Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7.

April 11, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2085, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 2085 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 3.855, is amended to read:

3.855 [LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS.] Subdivision 1. **[ESTABLISHMENT.]** There is created the legislative commission on employee relations. The commission shall consist of six members of the senate and six members of the house of representatives. The senate members shall include the (MAJORITY) leader of the majority caucus of the senate, the (MINORITY) leader of the minority caucus of the senate, the chairman of the governmental operations committee, the chairman of the finance committee, the chairman of the (TAX) committee on taxes and tax laws, and an additional member designated by the (MINORITY) leader (, OR THEIR DESIGNEES) of the minority caucus. The house members shall include the speaker, the (MINORITY) leader of the minority caucus of the house, the chairman of the governmental operations committee, the chairman of the appropriations committee, the chairman of the (TAX) taxes committee, and an additional member designated by the (MINORITY) leader (, OR THEIR DESIGNEES) of the minority caucus. In the event that the membership of the house is evenly divided, the house members shall be selected pursuant to the rules of the house. Any member of the commission may resign by providing notice to the chairman. In the event of a resignation by a member of the: (1) senate, a replacement shall be selected from among the

members of the senate by the committee on rules; (2) house, a replacement shall be selected from among the members of the house pursuant to house rules. The commission shall elect its own officers who shall serve for terms of two years. The chairmanship of the commission shall alternate between a member of the senate and a member of the house.

Subd. 2. [STATE EMPLOYEE NEGOTIATIONS.] (PRIOR TO THE COMMENCEMENT OF COLLECTIVE BARGAINING ACTIVITIES WITH STATE EMPLOYEES, THE COMMISSION SHALL CONDUCT HEARINGS AT WHICH PUBLIC EMPLOYEES, REPRESENTATIVES OF PUBLIC EMPLOYEES AND THE COMMISSIONER OF PERSONNEL SHALL BE ALLOWED TO TESTIFY AS TO THEIR BEGINNING NEGOTIATING POSITIONS.) The commissioner of (PERSONNEL) *employee relations* shall regularly advise the commission on the progress of collective bargaining activities with state employees pursuant to the state public employment labor relations act. *During the course of the negotiations, the commission may make recommendations to the commissioner as it deems appropriate but no recommendation shall impose any obligation or grant any right or privilege to the parties.* The commissioner shall submit to the chairman of the commission any negotiated agreements or arbitration awards (WHICH THE COMMISSIONER HAS APPROVED WITHIN FIVE DAYS OF THE MAKING THEREOF). *Approved negotiated agreements shall be submitted within five days of the date of approval by the commissioner or the date of approval by the affected state employees whichever occurs later. Arbitration awards shall be submitted within five days of their receipt by the commissioner.* If the commission disapproves of any agreement or award, the commission shall specify in writing to the parties those portions with which it disagrees and the reasons therefor. (UPON RECEIPT OF THE NOTICE OF DISAPPROVAL FROM THE COMMISSION, THE COMMISSIONER OF PERSONNEL WILL REOPEN THE NEGOTIATIONS.) If the commission approves of an agreement or award, it shall cause the matter to be submitted to the legislature to be accepted or rejected pursuant to section 179.74, *subdivision 5*. Failure of the commission to disapprove of (AFFECTED PORTIONS OF) an agreement or award within 30 days of its receipt shall be deemed approval. Approval or disapproval by the commission shall not be binding on the entire legislature.

After adjournment of the legislature in an odd numbered year, the commission may give interim approval to a negotiated agreement or arbitration award. It shall submit the negotiated agreement or arbitration award to the entire legislature for ratification as provided in section 179.74, subdivision 5.

Subd. 3. [OTHER DUTIES.] In addition to the duties specified in subdivision 2, the commission shall perform the following:

(a) *Review and approve, reject, or modify a plan for compensation, terms and conditions of employment prepared and sub-*

mitted by the commissioner of employee relations pursuant to section 10 covering all state employees who are not represented by an exclusive bargaining representative and whose compensation is not provided for by section 43.064 or other law;

(b) Continually monitor the state's civil service system (,) as provided for in chapter 43, rules of the commissioner of employee relations and the collective bargaining process (,) as provided for in sections 179.61 to 179.76, as applied to state employees;

((B)) (c) Research and analyze the need for improvements in those statutory sections; (AND)

((C)) (d) Adopt rules not inconsistent with this section relating to the scheduling and conduct of commission business and other organizational and procedural matters; and

(e) Perform such other related functions as are delegated to it by the legislature.

Sec. 2. Minnesota Statutes 1978, Chapter 43, is amended by adding a section to read:

[43.0001]. *The name of the department of personnel is changed to the department of employee relations. The title of the commissioner of personnel is changed to the commissioner of employee relations. Subject to applicable laws, the department of employee relations, with its commissioner and officers, shall continue to exercise all the powers and duties vested in or imposed upon the department and commissioner of personnel immediately prior to the effective date of this section.*

Sec. 3. Minnesota Statutes 1978, Section 43.001, is amended to read:

43.001 [DEPARTMENT OF EMPLOYEE RELATIONS; CREATION.] Subdivision 1. The department of (PERSONNEL) *employee relations* is hereby created under the control and supervision of a commissioner of (PERSONNEL) *employee relations*, which office is hereby established.

Subd. 2. The commissioner of (PERSONNEL) *employee relations* is appointed by the governor under the provisions of section 15.06. (HE SHALL HAVE BROAD EXPERIENCE IN A MANAGERIAL POSITION INCLUDING ABOUT FIVE YEARS AS AN EXECUTIVE PERSONNEL MANAGER IN ONE OR MORE ORGANIZATIONS ESSENTIALLY SIMILAR IN COMPLEXITY TO STATE GOVERNMENT.) *The commissioner shall be knowledgeable in executive personnel management and shall have background in labor relations.*

Subd. 3. The commissioner may appoint (ONE DEPUTY COMMISSIONER AND) a confidential secretary, (EACH OF WHOM) *who shall serve at the pleasure of the commissioner in the unclassified service.*

Subd. 4. Subject to (THE PROVISIONS OF LAWS 1973, CHAPTER 507 AND TO OTHER) applicable laws (GOVERNING A STATE DEPARTMENT OR AGENCY), the commissioner shall organize the department and employ (SUCH) other officers, employees, and agents (AS HE MAY DEEM) necessary to discharge the functions of (HIS) *the department*, define the duties of (SUCH) *these* officers, employees, and agents and (TO) delegate to them any (OF HIS) powers, duties, and responsibilities subject to (HIS) *the commissioner's* control and under (SUCH) conditions as (HE) *the commissioner* may prescribe. Personnel employed pursuant to this subdivision are in the classified service of the state civil service.

Subd. 5. The department of employee relations shall be organized into two divisions to be designated the division of personnel and the division of labor relations. Each division shall be under the immediate charge of a deputy commissioner.

Subd. 6. The deputy commissioners for the divisions of personnel and labor relations shall be appointed by and serve at the pleasure of the commissioner, and shall be in the unclassified service of the state. The deputy commissioner for the division of labor relations shall have extensive background in labor relations and shall have experience in dealing with contracts similar in complexity to those negotiated between the state and exclusive representatives of state employees.

Subd. 7. Each division of the department of employee relations shall be responsible for administering the duties and functions that are assigned to it by law and by the commissioner of employee relations. Insofar as the duties of the divisions are not mandated by law, the commissioner may establish and revise the assignments of either division.

Subd. 8. The division of labor relations shall perform the duties assigned to the commissioner of employee relations by sections 3.855, 43.05, subdivision 3 and chapter 179.

The deputy commissioner for the division of labor relations shall be the chief state labor negotiator for purposes of negotiating and administering agreements with exclusive representatives of state employees.

Subd. 9. The division of personnel shall perform the duties assigned to the commissioner by section 43.05, subdivision 2.

Sec. 4. Minnesota Statutes 1978, Section 43.01, Subdivision 8, is amended to read:

Subd. 8. [COMMISSIONER.] "Commissioner" means the commissioner of (PERSONNEL) *employee relations*.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 43.05, Subdivision 2, is amended to read:

Subd. 2. [SPECIFIED DUTIES.] The commissioner shall:

- (1) Attend all meetings of the board;
- (2) Promulgate (PERSONNEL) rules for the purpose of carrying out the provisions of this chapter; these rules shall provide, among other things, for current records of efficiency, and standards of performance, for all employees subject to the provisions of this chapter; the manner of completing appointments and promotions; rejection of eligible candidates; examinations; retention of examination records under the provisions of section 138.163; creation of eligible lists, with successful candidates ranked according to their ratings in the examinations; (LEAVES OF ABSENCE WITH AND WITHOUT PAY;) transfers (,) *and* reinstatements (, LAYOFFS, VACATIONS, AND HOURS OF WORK); public notice of examinations; (PROCEDURE FOR CHANGES IN RATES OF PAY;) compulsory retirement at fixed ages; and other conditions of employment (, IF A RULE IS MADE CONCERNING SICK LEAVE FOR ILLNESS IN THE IMMEDIATE FAMILY OF AN EMPLOYEE, THE TERM "IMMEDIATE FAMILY" SHALL BE LIMITED TO THE SPOUSE, MINOR OR DEPENDENT CHILDREN, OR PARENT WHERE THE PARENT HAS NO OTHER PERSON TO PROVIDE THE NECESSARY NURSING CARE, LIVING IN THE HOUSEHOLD OF THE EMPLOYEE);
- (3) Operate an information system from which data can be retrieved concerning employees in agencies under his jurisdiction showing their employment histories including the date of appointment, demotion, reinstatement, increases or decreases in pay, the compensation and title of the position, changes in title, transfers, and separations from the service; and the commissioner shall have access to all public and private personnel data kept by an appointing authority, the examination of which will aid in the discharge of his duties;
- (4) Prepare, in accordance with the provisions of this chapter and the rules adopted hereunder, examinations, eligible lists, and ratings of candidates for appointment;
- (5) Make certifications for appointment within the classified service, in accordance with the provisions of this chapter;
- (6) Make investigations concerning all matters touching the enforcement and effect of the provisions of this chapter and the personnel rules prescribed hereunder;

(7) Discharge such duties as are imposed upon him by this chapter;

(8) Establish, publish and continually review logical career paths in the classified civil service;

(9) Consider all requests for other than state appropriated funds from any state department or agency for personnel purposes all of which shall be submitted to him for comment before any such request is made of a federal, local, or private agency; and

(10) Prepare rules regulating the temporary designation of positions in the unclassified civil service;

(11) Review, establish or change titles for the positions in the unclassified civil service in the executive branch of state government except those established by law or by the constitution, to make titles descriptive of positions and consistent throughout the state service; and

(12) In conformance with the rule making provisions of chapter 15, promulgate a code of ethics establishing standards of conduct to be observed by state employees in the performance of their official duties.

Sec. 6. Minnesota Statutes 1978, Section 43.05, is amended by adding a subdivision to read:

Subd. 3. The commissioner, through the division of labor relations, shall:

(a) Represent the state at hearings conducted by the director of the bureau of mediation services and the public employment relations board relating to state employees;

(b) Represent the state in all collective bargaining between the state and exclusive representatives, and represent the state in mediation and arbitration of collective bargaining disputes;

(c) Report to the legislative commission on employee relations pursuant to section 3.855;

(d) Be responsible for state management interpretation of all collective bargaining agreements between the state and exclusive representatives and provide state management personnel with training in the interpretation and application of these collective bargaining agreements;

(e) Oversee the administration of all written grievances arising under collective bargaining agreements between the state

and an exclusive representative. The commissioner shall establish procedures which appointing authorities shall follow to enable the commissioner to monitor the grievance procedure at all steps;

(f) Have final authority to decide if a grievance shall be submitted to arbitration or if it shall be settled without arbitration;

(g) Represent the state at all grievance arbitrations;

(h) Collect and analyze all information necessary to carry out the responsibilities of this subdivision.

Sec. 7. Minnesota Statutes, 1979 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 UNIVERSITY SYSTEM IS THE UPPER LIMIT OF COMPENSATION OF STATE UNIVERSITY PRESIDENTS.) The base salary of the commissioner of labor and industry is the upper limit of compensation of employees in the bureau of mediation services. (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. 8. Minnesota Statutes 1978, Section 43.111, is amended to read:

43.111 [POLICY.] It is the public policy of the state of Minnesota that an efficient and well trained work force be maintained to carry out the work ordained by the legislature. It is further directed that modern methods of selection, training and salary administration be established and maintained. The standards of selection shall be (OF SUCH A NATURE AS TO) *based on merit and provide for the proper level of preparation and experience.* Recognizing the cost of excessive employee turnover, it is directed that priority be given to the maintenance of a steady work force. To this end, training, by way of in-service programs and stipend allowances shall be encouraged. It is also established as the policy of the state of Minnesota that employees be paid a total compensation which is competitive with that paid for like positions in other private and public employment. Proper attention (WILL ALSO) *shall be given to equitable internal (PAY) compensation relationships between related job classes and among the various levels within the same job family or department, with the understanding that the collective bargaining*

relationship between the state and its employees established through the provisions of chapter 179 must take precedence. Continuing analysis of pay rates (AND), supplementary pay practices (SHALL BE CARRIED ON, AS WELL AS) and analyses of jobs to determine comparability of job content shall be carried on.

Sec. 9. Minnesota Statutes 1978, Chapter 43, is amended by adding a section to read:

[43.112] [COMPENSATION, TERMS, AND CONDITIONS OF EMPLOYMENT.] *Subdivision 1. [REPRESENTED EMPLOYEES.] To the extent they are lawfully covered by a collective bargaining agreement, the compensation, terms and conditions of employment for all state employees represented by an exclusive representative certified pursuant to chapter 179 shall be governed by the collective bargaining agreement executed by the parties and approved by the legislature.*

Subd. 2. [NON-REPRESENTED EMPLOYEES.] The compensation, terms and conditions of employment of all state employees not represented by an exclusive representative certified pursuant to chapter 179 shall be solely governed by statute, rule, or the plan developed by the commissioner and approved by the legislature pursuant to sections 3.855 and 179.74, subdivision 5, and section 10.

Subd. 3. [MERIT SYSTEM TO CONTROL.] The provisions of chapter 43 governing the recruitment, classification and selection of state employees on the basis of their relative ability, knowledge and skills, including sections 43.111, 43.12, subdivision 1, 43.13 to 43.15, 43.17, 43.18, subdivisions 1 to 3, 43.19, subdivisions 2 and 3, 43.20, and 43.30, shall not be modified, waived or abridged by any contract executed by the state pursuant to chapter 179.

Sec. 10. Minnesota Statutes 1978, Chapter 43, is amended by adding a section to read:

[43.113] [PLAN FOR COMPENSATION, TERMS AND CONDITIONS OF EMPLOYMENT FOR NON-REPRESENTED EMPLOYEES.] *Subdivision 1. The commissioner of employee relations shall periodically submit to the legislative commission on employee relations a plan to govern the compensation, terms and conditions of employment for all state employees who are not represented by an exclusive representative certified pursuant to chapter 179 and whose compensation is not provided for by section 43.064 or other law. The commission shall review the plan and submit it to the legislature along with any recommendations it deems appropriate. The plan need not be adopted in accordance with the rulemaking provisions of chapter 15. The*

plan shall not take effect until approved by the legislature, provided that the legislative commission may give interim approval to a plan and subsequently submit it to the entire legislature for ratification in the same manner as provided for negotiated agreements and arbitration awards under section 179.74, subdivision 5.

Subd. 2. In establishing and recommending compensation for any position within the plan, the commissioner of employee relations shall assure that:

(1) Compensation in the classified and unclassified service bear equitable relationships to one another;

(2) Compensation for state positions bears equitable relationships to compensation for similar positions outside state service;

(3) Compensation for management positions bears equitable relationships to compensation of represented employees managed; and

(4) Compensation for positions within the classified service bear equitable relationships among related job classes and among various levels within the same job family.

Compensations bear equitable relationships to one another within the meaning of this subdivision if compensation for positions which require comparable knowledge, abilities, duties, responsibilities and accountabilities are comparable and if compensation for positions which require differing knowledge, abilities, duties, responsibilities and accountabilities are proportional to the knowledge, abilities, duties and responsibilities required.

Sec. 11. Minnesota Statutes 1978, Section 43.18, Subdivision 4, is amended to read:

Subd. 4. [APPOINTMENT; PROBATION.] The appointing 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) may 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 employment situation is among those listed in section 43.20, for which competitive examinations are not required.

Sec. 12. Minnesota Statutes, 1979 Supplement, 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 executive branch of the state civil service, or the legislative branch of state civil service, and classified positions on the staff of the legislative auditor, Minnesota state retirement system and teachers retirement association and, subject to (SUCH) *those* exceptions as the commissioner may provide, from the lower class 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 and job-related conduct shall constitute a factor. For positions defined by (PERSONNEL) rule as "non-managerial" seniority (SHALL) *may* also constitute a factor.

(2) The commissioner may authorize the appointing authority of any state agency to promote any employee in that agency to a higher class provided his position has been reallocated as the result of gradual changes in the job which have occurred over a period of time and he has performed satisfactorily in the position.

(3) *On or before January 1, 1981, the commissioner shall submit a report to the legislative commission on employee relations recommending methods of improving the state's efforts to insure equal employment opportunity pursuant to section 43.15. The report shall include recommendations with respect to both hiring and promotions along with an analysis of the effects of seniority requirements on promotional practices.*

Sec. 13. Minnesota Statutes 1978, Section 43.245, is amended to read:

43.245 [PERFORMANCE APPRAISAL SYSTEM.] The commissioner shall design and implement an employee performance appraisal system for the classified and unclassified (SERVICE) services. This system shall be based on uniform position description and results oriented performance standards formats. The commissioner, in consultation with the departments, shall develop criteria and content as necessary so long as the system is uniform for all departments. The commissioner shall establish and enforce rules with respect to the utilization of the results of this performance appraisal system in all decisions relating to the status of employees. (THE COMMISSIONER MAY FURTHER BY RULE PRESCRIBE THE EXTENT TO WHICH THESE REPORTS SHALL BE OPEN TO INSPECTION BY THE PUBLIC AND BY THE AFFECTED EMPLOYEE.) Each employee in the classified and unclassified service in the execu-

tive branch shall be evaluated and counseled at least once a year on his work performance. Individual pay increases for all state employees not represented by an exclusive representative certified pursuant to chapter 179 shall be based on (SUCH) the evaluation and other factors the commissioner includes, and the legislature approves, in the plan developed pursuant to section 10. Collective bargaining agreements entered into pursuant to chapter 179 may, and are encouraged to, provide for pay increases based on employee performance.

Sec. 14. Minnesota Statutes 1978, Section 43.321, is amended to read:

43.321 [GRIEVANCE PROCEDURE.] The commissioner shall promulgate by (PERSONNEL) rule procedures relating to grievances of any state officer or employee in the executive branch and provide the circumstances under which the grievance procedure is available, except that no state employee may avail himself of more than one grievance procedure on any one complaint or use the procedure set forth in the rule if he is a member of a bargaining unit that has a collective bargaining agreement entered into pursuant to chapter 179 which provides for methods and procedures to resolve that type of grievance.

Sec. 15. Minnesota Statutes 1978, Section 43.45, is amended to read:

43.45 [CONTRACTING AUTHORITY.] Subdivision 1. The commissioner is authorized to request bids from carriers or to negotiate with carriers and to enter into contracts with carriers which in the sole judgment of the commissioner are best qualified to underwrite and service the benefit plans. The commissioner shall consider (SUCH) factors such as the cost and conversion options relating to the contracts as well as the service capabilities, character, financial position, and reputation (WITH RESPECT TO SUCH) of the carriers and any other factors which the commissioner (MAY DEEM) deems appropriate. Each (SUCH) benefit contract shall be for a uniform term of at least one year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. Effective October 1, 1980, the commissioner shall, to the extent feasible, make basic hospital and medical benefits available from at least three carriers at least one each of whom shall be licensed to do business pursuant to chapters 62A, 62C and 62D. The commissioner need not provide health maintenance services to an employee who resides in an area which is not served by a licensed carrier. The commissioner may elect not to offer all three types of carriers if there are no bids or no acceptable bids by that type of carrier or if the offering of additional carriers would result in excessive additional administrative costs. Any carrier licensed pursuant to chapter 62A shall be exempt from the tax imposed by section 60A.15 on premiums paid to it by the state.

Subd. 2. Each contract under sections 43.42 to 43.49 shall contain a detailed statement of benefits offered and shall include (SUCH) *any* maximums, limitations, exclusions, and other definitions of benefits as the commissioner may deem necessary or desirable. *Each contract shall provide benefits at least equal to those required by section 62E.06, subdivision 2.*

Subd. 3. The commissioner shall make available, through (SUCH) *any* carriers as (IT) *the commissioner* may authorize, as many optional coverages as (IT DEEMS) *deemed* feasible and advantageous to eligible state employees and their dependents which (SAID) *the* employees may pay for at their own expense (TO BE PAID FOR) through payroll deductions.

Subd. 4. *The commissioner shall appoint and serve as chairman of an insurance advisory council consisting of eleven members. Two members shall be selected from names submitted by exclusive representatives of state employees. One member shall be selected from names submitted by exclusive representatives of employees of the university of Minnesota. One member shall be selected from names submitted by organizations representing retired state employees. One member shall be selected from names submitted by the regents of the university of Minnesota. The commissioners of administration, insurance, health and finance, and the deputy commissioner for labor relations or their designees, shall serve as the other members. Except as provided in this section, the provisions of section 15.059 shall apply to the members of the council. The council shall advise the commissioner in the selection of carriers and the implementation of collective bargaining agreements. Evidence of discussions, recommendations or decisions by the council shall not be submitted to any court or arbitrator in any matter involving state or university of Minnesota employees.*

Sec. 16. Minnesota Statutes 1978, Section 43.46, is amended to read:

43.46 [CONTRIBUTIONS BY STATE.] *Subdivision 1. The total contribution by the state for each state employee (UNDER SECTIONS 43.42 TO 43.49) and for dependents of state employees shall be (OTHERWISE) prescribed by law (AND WHICH), rule, a plan prepared pursuant to section 10, or a collective bargaining agreement. The contribution shall be applied to provide basic hospital benefits, basic medical benefits, basic dental benefits (, AN ANNUAL HEALTH EVALUATION AND SCREENING PROGRAM) and basic life insurance (OF SUCH) in amounts as may be determined from time to time by the commissioner or in a collective bargaining agreement.*

Subd. 2. [EMPLOYEE COVERAGE.] *The amount of premium paid by the state for represented employees for state employees' basic hospital benefits, basic medical benefits and basic dental benefits coverage shall be negotiated between the state and exclusive representatives of state employees. Except*

as provided in this subdivision, the amount paid for each state employee's coverage shall be uniform for all employees in the same bargaining unit. Employees who select a carrier whose premium is in excess of the state payment shall be required to pay the difference. Employees who select a carrier whose premium is less than the state payment shall be paid the difference as additional compensation.

Subd. 3. [DEPENDENT COVERAGE.] *The amount of premium paid by the state for state employees' dependents' basic hospital benefits, basic medical benefits and basic dental benefits coverage shall be negotiated between the state and exclusive representatives of state employees. Except as provided in this subdivision, the amount paid for each state employee's dependent coverage shall be uniform for all employees in the same bargaining unit. Employees who select a carrier whose premium is in excess of the state payment shall be required to pay the difference. Employees who select a carrier whose premium is less than the state payment shall be paid the difference as additional compensation.*

Subd. 4. [UNREPRESENTED EMPLOYEES.] *The commissioner shall establish the level of state payment of premiums paid by the state for all state employees who do not have an exclusive representative and for their dependents. The levels of payment shall be included in the plan prepared pursuant to section 10. Payments shall be made in the manner provided for in subdivisions 2 and 3.*

Sec. 17. Minnesota Statutes, 1979 Supplement, Section 43.50, Subdivision 1, is amended to read:

43.50 [PAYMENT OF PREMIUMS.] Subdivision 1. Each department of the state government shall pay the amounts due for basic life insurance, basic dental insurance, (AND) basic (HEALTH) hospital benefits and basic medical benefits coverage authorized for eligible state employees (AS PROVIDED BY) pursuant to this chapter. (EFFECTIVE JULY 1, 1979, EACH DEPARTMENT OF THE STATE GOVERNMENT SHALL CONTRIBUTE UP TO \$64 PER YEAR TOWARD THE COST OF THE APPROVED ANNUAL HEALTH EVALUATION AND SCREENING PROGRAM FOR EACH ELIGIBLE EMPLOYEE WHO ELECTS TO PARTICIPATE AND WHO ELECTS HEALTH INSURANCE COVERAGE UNDER BLUE CROSS AND BLUE SHIELD OF MINNESOTA. ELIGIBLE EMPLOYEES WHO ELECT COVERAGE UNDER A HEALTH MAINTENANCE ORGANIZATION SHALL ONLY BE ELIGIBLE TO RECEIVE THIS BENEFIT IF THE HEALTH MAINTENANCE ORGANIZATION IN WHICH THE EMPLOYEE IS ENROLLED DOES NOT MAKE AVAILABLE WITHOUT ADDITIONAL COST, ON AN ANNUAL BASIS, THE TESTS PERFORMED FOR STATE EMPLOYEES BY THE APPROVED PROGRAM.)

(ADDITIONALLY, AND NOTWITHSTANDING ANY LAW TO THE CONTRARY, EFFECTIVE THE FIRST DAY OF THE FIRST PAYROLL PERIOD COMMENCING ON OR AFTER JULY 1, 1979, EACH DEPARTMENT OF THE STATE GOVERNMENT SHALL CONTRIBUTE UP TO \$60 PER MONTH OR 90 PERCENT OF THE COST, WHICHEVER IS GREATER, TOWARD THE COST OF DEPENDENT HOSPITAL MEDICAL INSURANCE COVERAGE PREMIUMS FOR THEIR ELIGIBLE EMPLOYEES WHO HAVE ELIGIBLE DEPENDENTS. EACH DEPARTMENT SHALL ALSO CONTRIBUTE ONE-HALF THE DIFFERENCE BETWEEN SINGLE AND FAMILY DENTAL COVERAGE PER MONTH FOR ALL ELIGIBLE EMPLOYEES CARRYING DEPENDENT DENTAL INSURANCE COVERAGE. TO ENABLE EMPLOYEES TO RECEIVE BENEFIT FROM THIS PROVISION, OPEN ENROLLMENT PERIODS FROM AUGUST 15 THROUGH SEPTEMBER 30, 1979 AND FROM AUGUST 15 THROUGH SEPTEMBER 30, 1980, ARE ESTABLISHED. DURING OPEN ENROLLMENT PERIODS EMPLOYEES MAY ENROLL THEIR DEPENDENTS IN DENTAL COVERAGE AND HOSPITAL MEDICAL COVERAGE WITHOUT PROOF OF INSURABILITY. EFFECTIVE JANUARY 1, 1981.) The (CHANGED) benefits provided in this section shall apply to eligible members of the legislature and their eligible dependents *when they become eligible for the benefits.* Each of the departments shall pay (SUCH) *the* amounts from accounts and funds from which the department receives its revenues, including appropriations from the general fund and from any other fund, now or hereafter existing for the payment of salaries and in the same proportion as it pays therefrom the amounts of salaries. In order to enable the commissioner of finance to maintain proper records covering the appropriations pursuant to this section, he may require certifications in connection therewith as he may deem necessary from any state agency, the Minnesota historical society, or the University of Minnesota whose employees receive benefits pursuant to this chapter. The accounts and funds referred to from which departments receive appropriations under the terms of this section are hereby declared to be a source of revenue for the purposes of any other law or statutory enactment.

Sec. 18. Minnesota Statutes, 1979 Supplement, Section 62D.-22, Subdivision 7, is amended to read:

Subd. 7. A licensed health maintenance organization shall be deemed to be a prepaid group practice plan for the purposes of chapter 43 and shall be allowed to participate as a carrier for state employees subject to any (NEGOTIATED LABOR AGREEMENT) *collective bargaining agreement entered into pursuant to chapter 179* and reasonable restrictions applied to all carriers. *The commissioner of employee relations may refuse to allow a health maintenance organization to continue as a car-*

rier if it was selected by less than 200 employees in the preceding benefit year.

Sec. 19. Minnesota Statutes 1978, Section 179.63, Subdivision 7, is amended to read:

Subd. 7. "Public employee" or "employee" means any person appointed or employed by a public employer except:

- (a) elected public officials;
- (b) election officers;
- (c) commissioned or enlisted personnel of the Minnesota national guard;
- (d) emergency employees who are employed for emergency work caused by natural disaster;
- (e) part time employees whose service does not exceed the lesser of 14 hours per week or 35 percent of the normal work week in the employee's bargaining unit;
- (f) employees who hold positions of a basically temporary or seasonal character for a period not in excess of 100 working days in any calendar year;

The exclusions of clauses (e) and (f) of this subdivision shall not apply to:

(1) an employee hired by a school district to replace an absent teacher who at the time of his absence is a "public employee" not within the other exclusions of this subdivision where the replacement employee is employed more than 30 working days as a replacement for that teacher; and

(2) an employee hired by a school district for a teaching position created by increased enrollment, curriculum expansion, courses which are a part of the curriculum whether offered annually or not, or other appropriate reasons.

Employees included as "public employees" pursuant to clauses (1) and (2) shall not be included under master contracts expiring June 30, 1981, for purposes of salary or fringe benefits;

(g) employees of charitable hospitals as defined by section 179.35, subdivision 3;

(h) full time undergraduate students employed by the school which they attend under a work study program or in connection

with the receipt of any financial aid, irrespective of number of hours of service per week.

Sec. 20. Minnesota Statutes 1978, Section 179.63, Subdivision 8, is amended to read:

Subd. 8. "Confidential employee" means any employee who works in the personnel offices of a public employer or who has access to information subject to use by the public employer in meeting and negotiating or who actively participates in the meeting and negotiating on behalf of the public employer. *Provided that when the reference is to executive branch employees of the state of Minnesota or employees of the regents of the University of Minnesota, "confidential employee" means any employee who has access to information subject to use by the public employer in collective bargaining or who actively participates in collective bargaining on behalf of the public employer.*

Sec. 21. Minnesota Statutes, 1979 Supplement, Section 179.63, Subdivision 11, is amended to read:

Subd. 11. "Essential employee" means firefighters, (POLICE) peace officers subject to licensure pursuant to sections 626.84 to 626.855, (HIGHWAY PATROLMEN,) guards at correctional (INSTITUTIONS) facilities, and employees of hospitals other than state hospitals (AND REGISTERED NURSES, AS DEFINED IN SECTION 148.171, ENGAGED IN THE PRACTICE OF PROFESSIONAL NURSING AND EMPLOYED IN A STATE HOSPITAL OR STATE NURSING HOME); provided that (1) with respect to state employees, "essential employee" means all employees in the law enforcement, health care professional, correctional guards, and supervisory collective bargaining units, irrespective of severance, and no other employees, and (2) with respect to university of Minnesota employees, "essential employee" means all employees in the law enforcement, nursing professional and supervisory units, irrespective of severance, and no other employees. The term "firefighters" means salaried employees of a fire department whose duties include, directly or indirectly, controlling, extinguishing, preventing, detecting, or investigating fires.

Sec. 22. Minnesota Statutes 1978, Section 179.64, Subdivision 1, is amended to read:

179.64 [STRIKES AUTHORIZED: NON-TEACHERS.]
Subdivision 1. (NO PERSON HOLDING A POSITION BY APPOINTMENT OR EMPLOYMENT IN THE GOVERNMENT OF THE STATE OF MINNESOTA, OR IN THE GOVERNMENT OF ANY ONE OR MORE OF THE POLITICAL SUBDIVISIONS THEREOF, OR IN THE SERVICE OF THE PUBLIC SCHOOLS, OR OF THE STATE UNIVERSITY, OR IN

THE SERVICE OF ANY AUTHORITY, COMMISSION OR BOARD OR ANY OTHER BRANCH OF THE PUBLIC SERVICE, WHETHER INCLUDED OR EXCEPTED FROM THIS ACT MAY ENGAGE IN A STRIKE, NOR SHALL ANY SUCH PERSON OR ORGANIZATION OF SUCH PERSONS OR ITS OFFICIALS OR AGENTS CAUSE, CONDONE, INSTIGATE, ENCOURAGE, OR COOPERATE, IN A STRIKE EXCEPT AS MAY BE PROVIDED IN SUBDIVISION 7.) *Except as otherwise provided by subdivision 1a and section 32, public employees, other than confidential, essential, managerial and supervisory employees and other than principals and assistant principals, may strike only under the following circumstances:*

(1) (a) *The collective bargaining agreement between their exclusive representative and their employer has expired or, if there is no agreement, impasse under section 32 has occurred; and*

(b) *The exclusive representative and the employer have participated in mediation over a period of at least 45 days, provided that the mediation period established by section 32 shall govern negotiations pursuant to that section. For the purposes of this sub-clause the mediation period commences on the day following receipt by the director of a request for mediation; and*

(c) *Written notification of intent to strike was served on the employer and the director by the exclusive representative on or after the expiration date of the collective bargaining agreement or, if there is no agreement, on or after the date impasse under section 32 has occurred and at least ten days prior to the commencement of the strike, provided that if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification; or*

(2) *The requirements of clause (1) have been satisfied and a request for binding arbitration has been rejected pursuant to section 179.69; or*

(3) *The employer violates section 179.68, subdivision 2, clause (9); or*

(4) *In the case of state employees,*

(a) *The legislative commission on employee relations has not given approval during a legislative interim to a negotiated agreement or arbitration award pursuant to section 179.74, subdivision 5, within 30 days after its receipt; or*

(b) *The entire legislature rejects or fails to ratify a negotiated agreement or arbitration award, which has been approved during a legislative interim by the legislative commission on employee relations, at a special legislative session called to consider*

it, or at its next regular legislative session, whichever occurs first.

Written notification of intent to strike, under clauses (3) or (4), shall be served on the employer and the director by the exclusive representative at least ten days prior to the commencement of the strike, provided that if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification.

Subd. 1a. [STRIKES AUTHORIZED: TEACHERS.] Except as otherwise provided by section 31, teachers employed by a local school district, other than principals and assistant principals, may strike only under the following circumstances:

(1) (a) The collective bargaining agreement between their exclusive representative and their employer has expired or, if there is no agreement, impasse under section 31 has occurred; and

(b) The exclusive representative and the employer have participated in mediation over a period of at least 60 days, 30 days of which have occurred after the expiration date of the collective bargaining agreement, provided that the mediation period established by section 31 shall govern negotiations pursuant to that section. For the purposes of this sub-clause the mediation period commences on the day following receipt by the director of a request for mediation; and

(c) Written notification of intent to strike was served on the employer and the director by the exclusive representative on or after the expiration date of the collective bargaining agreement or, if there is no agreement, on or after the date impasse under section 31 has occurred and at least ten days prior to the commencement of the strike, provided that if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification; and

(d) A request for binding arbitration has been rejected pursuant to section 179.69; or

(2) 45 days after impasse pursuant to section 30 neither party has requested arbitration; or

(3) The employer violates section 179.68, subdivision 2, clause (9).

Written notification of intent to strike under clauses (2) and (3) shall be served on the employer and the director by the exclusive representative at least ten days prior to the commencement of the strike, provided that if more than 30 days

have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification, and further provided that notice of intent to strike under clause (2) shall be given no earlier than the last day of the period provided in clause (2).

Subd. 1b. Except as authorized in this section, all strikes by public employees shall be illegal. Except as provided in this section, no unfair labor practice or violation of sections 179.61 to 179.76 by a public employer shall give public employees a right to strike. Those factors may be considered, however, by the court in mitigation of or retraction of any penalties provided by this section.

During the period after contract expiration and prior to the date when the right to strike matures, and for additional time if agreed, the terms of an existing contract shall continue in effect and shall be enforceable upon both parties.

Sec. 23. Minnesota Statutes 1978, Section 179.64, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding any other provision of law, any public employee who (VIOLATES) *strikes in violation of the provisions of this section may have his appointment or employment terminated by the employer effective the date the violation first occurs. (SUCH) The termination shall be (EFFECTIVE UPON) made by serving written notice (SERVED) upon the employee. Service may be made by certified mail.*

Sec. 24. Minnesota Statutes 1978, Section 179.64, Subdivision 3, is amended to read:

Subd. 3. For purposes of this subdivision an employee who is absent from any portion of his work assignment without permission, or who abstains wholly or in part from the full performance of his duties without permission from his employer on the date or dates when a strike *not authorized by this section* occurs is prima facie presumed to have engaged in (A) *an illegal strike on (SUCH) the date or dates involved.*

Sec. 25. Minnesota Statutes 1978, Section 179.64, Subdivision 4, is amended to read:

Subd. 4. A public employee who knowingly (VIOLATES) *participates in a strike in violation of the provisions of this section and whose employment has been terminated pursuant to this section (,) may (, SUBSEQUENT TO SUCH VIOLATION,) subsequently be appointed or reappointed, employed or reemployed, but the employee shall be on probation for two years with respect to (SUCH) the civil service status, tenure of employment, or contract of employment (, AS) to which he*

(MAY HAVE THERETOFORE BEEN) *was previously entitled.*

No employee shall be entitled to any daily pay, wages, *reimbursement of expenses*, or per diem for the days on which he engaged in a strike.

Sec. 26. Minnesota Statutes 1978, Section 179.64, Subdivision 5, is amended to read:

Subd. 5. Any public employee (, UPON REQUEST,) shall be entitled (, AS HEREINAFTER PROVIDED,) *to request the opportunity to establish that he did not violate the provisions of this section.* (SUCH) *The request (MUST) shall be filed in writing with the officer or body having the power to remove (SUCH) the employee, within ten days after notice of termination is served upon him (; WHEREUPON SUCH).* *The employing officer (,) or body (,) shall within ten days commence a proceeding at which (SUCH PERSON) the employee shall be entitled to be heard for the purpose of determining whether the provisions of this section have been violated by (SUCH) the public employee (, AND).* If there (BE) *are contractual grievance procedures, laws (AND REGULATIONS) or rules establishing proceedings to remove (SUCH) the public employee, the hearing shall be conducted in accordance (THEREWITH) with whichever procedure the employee elects provided that the election shall be binding and shall terminate any right to the alternative procedures.* The same (PROCEEDINGS) *proceeding may (UPON APPLICATION TO THE COURT BY AN EMPLOYER, AND EMPLOYEE, OR EMPLOYEE ORGANIZATION AND THE ISSUANCE OF AN APPROPRIATE ORDER BY THE COURT) include more than one employee's employment status if the employees' defenses are identical, analogous or reasonably similar.* (SUCH) *The proceedings shall be undertaken without unnecessary delay. Any person whose termination is sustained in the administrative or grievance proceeding may secure a review of his removal by serving a notice (SO REQUESTING) of appeal upon the employer removing him within 20 days after the results of the hearing (REFERRED TO HEREIN) have been announced. This notice, with proof of service thereof, shall be filed within ten days after service, with the clerk of the district court in the county where the employer has its principal office or in the county where the employee last was employed by the employer. The district court shall (THEREUPON) have jurisdiction to review the matter in the same manner as on appeal from administrative orders and decisions. This hearing shall take precedence over all matters before the court and may be held upon ten days written notice by either party. The court shall make such order (IN THE PREMISES) as (IS) it deems proper (; AND). An employer may obtain review of a decision to reinstate an employee in the same manner as provided for appeals by employees in this subdivision. An appeal may be taken (THEREFROM) from the district court order to the supreme court.*

Sec. 27. Minnesota Statutes, 1979 Supplement, Section 179.65, Subdivision 6, is amended to read:

Subd. 6. *Except for confidential employees excluded from bargaining pursuant to section 179.74, subdivision 4, and section 40, supervisory and confidential employees, principals and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with all other provisions of sections 179.61 to 179.76, as though they were essential employees. (UNITS OF) Supervisory or confidential (EMPLOYEES) employee organizations shall not participate in any capacity in any (JOINT) negotiations which involve (THE PARTICIPATION OF) units of employees other than supervisory or confidential employees. (AFFILIATION OF A SUPERVISORY OR CONFIDENTIAL EMPLOYEE WITH ANOTHER EMPLOYEE ORGANIZATION WHICH HAS AS ITS MEMBERS NON-SUPERVISORY EMPLOYEES OR NON-CONFIDENTIAL EMPLOYEES IS PERMITTED.) A supervisory or confidential employee organization which is affiliated, either directly or indirectly, with another employee organization which is the exclusive representative of non-supervisory or non-confidential employees of the same public employer or with a federation or other joint body of employee organizations, any one of whose affiliates is the exclusive representative of non-supervisory or non-confidential employees of the same public employer, shall not be certified as, or act as, an exclusive representative pursuant to sections 179.61 to 179.76 or section 41, except in the case of organizations of non-state, non-university of Minnesota essential supervisory employees as defined in section 179.63, subdivision 11.*

Sec. 28. Minnesota Statutes 1978, Section 179.67, Subdivision 4, is amended to read:

Subd. 4. Any employee organization may obtain a certification election upon petition to the director wherein it is stated that at least 30 percent of the employees of a proposed employee unit wish to be represented by the petitioner (OR THAT THE CERTIFIED REPRESENTATIVE NO LONGER REPRESENTS THE MAJORITY OF EMPLOYEES IN THE UNIT). Any employee organization may obtain a representation election upon petition to the director wherein it is stated that the currently certified representative no longer represents the majority of employees in an established unit and that at least 30 percent of the employees in the established unit wish to be represented by the petitioner rather than by the currently certified representative. An individual employee or group of employees in a unit may obtain a decertification election upon petition to the director wherein it is stated that the certified representative no longer represents the majority of the employees in an established unit

and that at least 30 cent of the employees wish to be unrepresented.

Sec. 29. Minnesota Statutes 1978, Section 179.69, Subdivision 1, is amended to read:

179.69 [PROCEDURES.] Subdivision 1. [MEDIATION PETITION.] When any employees or representative of employees shall desire to meet and negotiate an agreement establishing terms and conditions of employment, they shall give written notice to the employer and the director, and it shall thereupon be the duty of the employer to recognize the employee representative for purposes of reaching agreement on terms and conditions of employment of the employees or the employer shall within ten days of receipt of the written notice object or refuse to recognize the employees' representative or the employees an appropriate unit. The employer or employees' representative may thereupon petition the director to take jurisdiction of the matter whereupon the director shall then be authorized and shall perform those duties as provided in section 179.71, subdivision 2(a) and (b).

Upon the certified exclusive representative and the employer reaching agreement on terms and conditions of employment or receiving a valid arbitration award, they shall execute a written contract or memorandum of contract containing the terms of (SUCH) *the negotiated agreement or arbitration award.* The contracts or memoranda shall in every instance be subject to the provisions of section 179.70.

A petition by an employer shall be signed by him or his duly authorized officer or agent; and a petition by an exclusive representative shall be signed by its authorized officer. In either case the petition shall be served by delivering it to the director in person or by sending it by certified mail addressed to him at his office. The petition shall state briefly the nature of the disagreement of the parties. Upon receipt of a petition, the director (**, OR BY SEPTEMBER 1, WHICHEVER DATE IS EARLIER**) shall fix a time and place for a conference with the parties to *negotiate* the (**MATTER UPON THE**) issues (**INVOLVED**) *not agreed upon* in the matter, and he shall then take whatever steps he deems most expedient to bring about a settlement of the matter, including assisting in negotiating and drafting an agreement. It shall be the duty of all parties to respond to the summons of the director for joint or several conferences with him and to continue in such conference until excused by the director. *However, for other than essential employees, mediation conferences following the expiration date of a collective bargaining agreement, or in the case of teachers following mediation over a period of 60 days after the expiration date of a collective bargaining agreement, shall continue only for durations agreeable to both parties.*

Sec. 30. Minnesota Statutes 1978, Section 179.69, Subdivision 3, is amended to read:

Subd. 3. [BINDING ARBITRATION PETITIONS FOR NON-ESSENTIAL EMPLOYEES.] *For all public employees except those specified in subdivision 3a, the director shall certify a matter to the board for binding arbitration pursuant to section 179.72 if:*

(a) *the director has determined that further mediation efforts under subdivision 1 would serve no purpose and has certified an impasse, or impasse has occurred by reason of the fact that the exclusive representative and the employer have participated in mediation for the period required in section 22 and the collective bargaining agreement has expired, and,*

(b) *within 15 days of a request by one party for binding arbitration the other party has accepted the request. A request for arbitration is deemed rejected if the other party has not responded within 15 days of the request.*

Subd. 3a. [BINDING ARBITRATION PETITIONS FOR ESSENTIAL EMPLOYEES.] *For all public employees defined as essential pursuant to section 179.73, subdivision 11, or treated as though they were essential pursuant to section 179.65, subdivision 6, the director shall only certify a matter to the board for binding arbitration pursuant to section 179.72 when either or both parties (, EXCEPT FOR ESSENTIAL EMPLOYEES,) petition for binding arbitration stating that an impasse has been reached and the director has determined that further mediation efforts under subdivision 1 would serve no purpose. (UPON SUCH PETITION AND DETERMINATION BY THE MEDIATOR, THE PARTIES SHALL EACH SUBMIT THEIR RESPECTIVE FINAL POSITIONS ON MATTERS NOT AGREED UPON. IF THE EMPLOYER HAS PETITIONED FOR BINDING ARBITRATION AND THE DIRECTOR HAS DETERMINED THAT AN IMPASSE HAS BEEN REACHED SAID PROCEEDINGS SHALL BEGIN WITHIN 15 DAYS THEREOF AND BE BINDING ON BOTH PARTIES. THE DIRECTOR SHALL DETERMINE THE MATTERS NOT AGREED UPON BASED UPON HIS EFFORTS TO MEDIATE THE DISPUTE. IF THE EMPLOYEE REPRESENTATIVE HAS PETITIONED FOR BINDING ARBITRATION THE EMPLOYER SHALL HAVE 15 DAYS AFTER THE DIRECTOR OF MEDIATION HAS DETERMINED THAT AN IMPASSE HAS BEEN REACHED TO REJECT THE REQUEST OR AGREE TO SUBMIT MATTERS NOT AGREED UPON TO BINDING ARBITRATION. IF THE EMPLOYER DOES NOT RESPOND WITHIN 15 DAYS IT SHALL BE REGARDED AS A REJECTION AND SAID REJECTION SHALL BE A REFUSAL BY THE EMPLOYER WITHIN THE MEANING OF SECTION 179.64, SUBDIVISION 7. UNDER A PETITION BY EITHER PARTY THE PARTIES MAY*

STIPULATE THOSE AGREED UPON ITEMS TO BE EXCLUDED FROM ARBITRATION.)

Subd. 3b. [PROCEDURE.] When the director has certified a matter to the board for binding arbitration pursuant to subdivision 3 or 3a, within 15 days the parties shall each submit their respective final positions on matters not agreed upon. The director shall determine the matters not agreed upon based on the positions submitted by the parties and his efforts to mediate the dispute. Under a petition by either party the parties may stipulate those agreed upon items to be excluded from arbitration.

Sec. 31. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.691] [NEW EXCLUSIVE REPRESENTATIVE: TEACHERS.] *If a new or different exclusive representative of teachers employed by a local school district is certified by the director at any time other than the period between 120 days before the termination date of a contract and the termination date of the contract, or if on July 1 of any odd-numbered year a representation proceeding involving the employer and the employer's teachers is before the director, the provisions of clause (1) of section 22 shall apply. In those cases, however, the employer and the exclusive representative of the teachers shall execute a written contract or memorandum of contract as provided in section 179.70 no later than 60 days after a certification by the director of a new or different exclusive representative or the resolution by the director of a representation proceeding. Either party may petition the director of mediation services for assistance in reaching an agreement, as provided in section 179.69, subdivision 1. If the employer and the exclusive representative of the teachers fail to execute a contract by 60 days after the certification of a new or different exclusive representative or the resolution by the director of a representation proceeding, they shall be conclusively presumed to be at an impasse after having participated in mediation sessions called pursuant to section 179.69 over a period of no less than 60 days.*

Sec. 32. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.692] [NEW EXCLUSIVE REPRESENTATIVE: NON-TEACHERS.] *If a new or different exclusive representative of employees other than teachers employed by a local school district is certified by the director, or if on the expiration date of an existing contract a representation proceeding is before the director, the provisions of clause (1) of section 22 shall apply. In those cases, however, the employer and the exclusive representative of the employees shall execute a written contract or memorandum of contract as provided in section 179.70 no later than 45 days after a certification by the director of a new or different exclusive representative or the resolution by the director of a representation proceeding. Either party may petition*

the director of mediation services for assistance in reaching an agreement, as provided in section 179.69, subdivision 1. If the employer and the exclusive representative fail to execute a contract by 45 days after the certification of a new or different exclusive representative or the resolution by the director of a representation proceeding, they shall be conclusively presumed to be at an impasse after having participated for a period of no less than 45 days in mediation sessions called pursuant to section 179.69.

Sec. 33. Minnesota Statutes 1978, Section 179.71, Subdivision 3, is amended to read:

Subd. 3. The director shall determine appropriate units, *except where appropriate units are defined by section 40*. In determining the appropriate unit he shall take into consideration, along with other relevant factors, the principles and the coverage of uniform comprehensive position classification and compensation plans of the employees, involvement of professions and skilled crafts and other occupational classifications, relevant administrative and supervisory levels of authority, geographical location, and the recommendation of the parties, and shall place particular importance upon the history and extent of organization and the desires of the petitioning employee representatives.

In addition, with regard to the inclusion or exclusion of supervisory employees, the director must find that an employee may perform or effectively recommend a majority of those functions referred to in section 179.63, subdivisions 9 or 9a, before an employee may be excluded as supervisory. However, in every case the administrative head, and his assistant, of a municipality, municipal utility, police or fire department shall be considered a supervisory employee.

He shall not designate an appropriate unit which includes employees subject to section 179.63, subdivision 11, with employees not included in section 179.63, subdivision 11.

Sec. 34. Minnesota Statutes 1978, Section 179.71, Subdivision 5, is amended to read:

Subd. 5. In addition to all other duties imposed by 179.77;

(a) (RETAIN) *provide mediation (JURISDICTION OVER) services as requested by the parties for purposes of this subdivision until (SUCH TIME AS) the parties reach agreement; provided, however, he may continue to assist parties after the parties have submitted their final positions as provided or required under section 179.72, subdivision 6; or section 179.69 (, SUBDIVISION 6);*

(b) issue notices, subpoenas and orders as may be required by law to carry out his duties under sections 179.61 to 179.77.

Issuance of orders shall include those orders of the Minnesota public employment relations board;

(c) certify to the Minnesota public employment relations board those items of dispute between parties to be subject to the action of the Minnesota public employment relations board under section 179.69, subdivision 3;

(d) assist the parties in formulating petitions, notices, and other papers required to be filed with the director or the board;

(e) certify the final results of any election or other voting procedure conducted pursuant to sections 179.61 to 179.77;

((F) FURNISH CLERICAL AND ADMINISTRATIVE SERVICES TO THE MINNESOTA PUBLIC EMPLOYMENT RELATIONS BOARD AS MAY BE REQUIRED;)

((G)) (f) adopt reasonable and proper rules (AND REGULATIONS) relative to and regulating the forms of petitions, notices, orders and the conduct of hearings and elections subject to final approval of the Minnesota public employment relations board. (SUCH) *The* rules (AND REGULATIONS) shall be printed and made available to the public and a copy delivered with each notice of hearing; provided, that (EVERY SUCH) *any* rule (OR REGULATION) shall be filed with the secretary of state, and any change therein or additions thereto shall not take effect until 20 days after (SUCH) *the* filing;

((H)) (g) receive, catalogue and file in a logical manner all orders and decisions of the Minnesota public employment relations board and all arbitration panels authorized by sections 179.61 to 179.77 as well as all grievance arbitration decisions and the director's own orders and decisions. All orders and decisions catalogued and filed shall be made readily available to the public;

((I)) (h) promulgate a grievance procedure to effectuate the purposes of section 179.70, subdivision 1. (SUCH) *The* grievance (PROCEDURES) *procedure* shall not provide for the services of the bureau of mediation services. The exercise of authority granted by this clause shall be subject to the provisions of chapter 15 (; SAID). *The* grievance procedure (TO) *shall* be available to any public employee employed in a unit not covered by a (NEGOTIATED) *contractual* grievance procedure as contained in section 179.70, subdivision 1;

((J)) (i) conduct elections;

(j) assign state employee classifications and university of Minnesota employee classifications to the appropriate units provided in section 40, when the classifications have not been assigned pursuant to section 40, or have been significantly

modified in occupational content subsequent to assignment pursuant to section 40, and assign supervisory employees to the appropriate units provided in section 40 when the positions have not been assigned pursuant to section 40 or have been significantly modified in occupational content. The assignment of the classes shall be made on the basis of the community of interest of the majority of employees in these classes with the employees within the statutory units, and all the employees in the class, excluding supervisory and confidential employees, shall be assigned to a single appropriate unit.

Sec. 35. Minnesota Statutes 1978, Section 179.72, Subdivision 6, is amended to read:

Subd. 6. When final positions are certified to the board as provided in section 179.69, (SUBDIVISION 3, OR SUBMITTED TO THE BOARD AS PROVIDED IN SECTION 179.69, SUBDIVISION 5,) the board shall constitute an arbitration panel as follows:

The parties shall, under the direction of the chairman of the board, alternately strike names from a list of seven arbitrators until only three names remain, which three members shall be members of the panel; provided, however, that if either party requests the parties shall select a single arbitrator to hear the dispute. If the parties are unable to agree on who shall strike the first name, the question shall be decided by the flip of a coin. In submitting names of arbitrators to the parties the board shall endeavor whenever possible to include names of persons from the general geographical area in which the public employer is located. The panel shall assume and have jurisdiction over the items of dispute certified to the board for which the panel was constituted. The panel's orders shall be issued upon a majority vote of members considering a given dispute. The members of the panel shall be paid their actual and necessary traveling and other expenses incurred in the performance of their duties plus a per diem allowance of \$180 for each day or part thereof while engaged in the consideration of a dispute. All fees, expenses and costs of the panel shall be shared and assessed equally to the parties to the dispute. In those cases where a single arbitrator is hearing a dispute, the fees, expenses and costs of the arbitrator shall also be shared and assessed equally by the parties to the dispute.

Sec. 36. Minnesota Statutes 1978, Section 179.74, Subdivision 2, is amended to read:

Subd. 2. The employer of state employees shall be, for purposes of sections 179.61 to (179.77) 179.76, the commissioner of (PERSONNEL) *employee relations* or his representative.

Sec. 37. Minnesota Statutes 1978, Section 179.74, Subdivision 3, is amended to read:

Subd. 3. In all negotiations between the state and exclusive representatives the state shall be represented by the commissioner of (PERSONNEL) *employee relations* or his representative. The attorney general, and each appointing authority shall cooperate with the commissioner of (PERSONNEL) *employee relations* in conducting negotiations and shall make available (SUCH) *any personnel and other resources as are necessary to enable the commissioner to conduct effective negotiations.*

Sec. 38. Minnesota Statutes, 1979 Supplement, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of (PERSONNEL) *employee relations* shall meet and negotiate with the exclusive representative of (APPROPRIATE) *each of the units specified in section 40, subdivision 1, in the manner prescribed by sections 179.61 to (179.77; PROVIDED, HOWEVER, THAT THE DIRECTOR OF MEDIATION SERVICES SHALL DEFINE APPROPRIATE UNITS OF STATE EMPLOYEES AS ALL THE EMPLOYEES UNDER THE SAME APPOINTING AUTHORITY EXCEPT WHERE PROFESSIONAL, GEOGRAPHICAL OR OTHER CONSIDERATIONS AFFECTING EMPLOYMENT RELATIONS CLEARLY REQUIRE APPROPRIATE UNITS OF SOME OTHER COMPOSITION)* 179.76. *The appropriate units provided for in section 40 shall be the only appropriate units for executive branch state employees. The positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of (PERSONNEL) employee relations in accordance with the provisions of section 43.326 and so designated in the official state compensation schedules, all unclassified positions in the state university system and the community college system defined as managerial by their respective boards, all positions of physician employees compensated pursuant to section 43.126, the positions of all unclassified employees appointed by the governor, lieutenant governor, secretary of state, attorney general, treasurer and auditor, all positions in the bureau of mediation services and the public employment relations board, all hearing (EXAMINERS) examiner positions in the office of hearing examiners, and the positions of all confidential employees (WHO WORK IN THE PERSONNEL OFFICES OF AN APPOINTING AUTHORITY IN THE EXECUTIVE BRANCH AND WHO HAVE ACCESS TO INFORMATION SUBJECT TO USE BY THE APPOINTING AUTHORITY IN MEETING AND NEGOTIATING OR WHO ACTIVELY PARTICIPATE IN THE MEETING AND NEGOTIATING ON BEHALF OF THE STATE,) shall be excluded from any appropriate unit. (REGARDLESS OF UNIT DETERMINATION,)* The governor may upon the unanimous written request of exclusive representatives of units and (APPOINTING AUTHORITIES) *the commissioner direct that negotiations be conducted for one or more (APPOINTING AUTHORITIES) units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.*

Sec. 39. Minnesota Statutes, 1979 Supplement, Section 179.-74, Subdivision 5, is amended to read:

Subd. 5. The commissioner of (PERSONNEL) *employee relations* is authorized to and may enter into agreements with *exclusive representatives of the units specified in section 40, subdivision 1*. The provisions of the negotiated agreements and arbitration awards shall be submitted to the legislature to be accepted or rejected *in accordance with this section and section 3.855*. (A STATE EMPLOYEE WHOSE EXCLUSIVE REPRESENTATIVE, AS DEFINED BY SECTION 179.63, SUBDIVISION 6, HAS NOT REACHED A PROPOSED AGREEMENT WITH THE STATE WHICH HAS BEEN SUBMITTED BY THE COMMISSIONER TO THE LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS ON OR BEFORE APRIL 15 OF AN ODD NUMBERED YEAR, SHALL NOT RECEIVE THE WAGE AND ECONOMIC FRINGE BENEFIT INCREASES PROVIDED PURSUANT TO AN AGREEMENT EXECUTED AND APPROVED UNDER THIS SUBDIVISION. DISAPPROVAL BY THE LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS PURSUANT TO SECTION 3.855 OR FAILURE OF THE LEGISLATURE TO APPROVE A NEGOTIATED AGREEMENT OR ARBITRATION AWARD WITH RESPECT TO WAGES AND ECONOMIC FRINGE BENEFITS BY THE TIME OF ADJOURNMENT OF THE REGULAR LEGISLATIVE SESSION IN AN ODD NUMBERED YEAR SHALL BE A DEFENSE TO A VIOLATION OF SECTION 179.64.) *In the event that a proposed agreement or arbitration award is rejected or is not approved by the legislature prior to its adjournment in an odd numbered year, the legislative commission on employee relations is authorized to give interim approval to a proposed agreement or arbitration award. The proposed agreement or arbitration award shall be implemented upon its approval by the commission and state employees covered by the proposed agreement or arbitration award shall not have the right to strike while the interim approval is in effect. The commission shall submit the agreement or arbitration award to the legislature for ratification at a special legislative session called to consider it or at its next regular legislative session. Wages and economic fringe benefit increases provided for in the agreement or arbitration award which were paid pursuant to the interim approval by the commission shall not be affected but such wages and benefit increases shall cease to be paid or provided effective upon the rejection of the agreement or arbitration award or upon adjournment by the legislature without acting upon the agreement or arbitration award.*

Sec. 40. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.741] [STATE AND UNIVERSITY OF MINNESOTA EMPLOYEES; APPROPRIATE UNITS.] *Subdivision 1.*

[STATE EMPLOYEES.] *Subject to the provisions of section 41, subdivision 5, all appropriate units of state employees certified as of the effective date of this subdivision are abolished. The following shall be the appropriate units of executive branch state employees for the purposes of sections 179.61 to 179.76. All units shall exclude employees excluded by section 38 and supervisory employees shall only be assigned to units 12 and 16. Unclassified employees, unless otherwise excluded, are included within the units which include the classifications to which they are assigned for purposes of compensation. No additional units of executive branch state employees shall be recognized for the purpose of meeting and negotiating.*

(1) *Law enforcement unit. This unit shall consist of all sworn highway patrol personnel, all uniformed conservation officers, and all criminal apprehension agents.*

(2) *Craft, maintenance, and labor unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(3) *Service unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(4) *Health care non-professional unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(5) *Health care professional unit. This unit shall consist of all positions which are required to be filled by registered nurses.*

(6) *Clerical and office unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(7) *Technical unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(8) *Correctional Guards unit. This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

(9) *State university instructional unit. This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.*

tion schedule adopted by the legislative commission on employee relations on March 24, 1980.

(10) *Community college instructional unit.* This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.

(11) *State university administrative unit.* This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.

(12) *Professional engineering supervisory unit.* This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.

(13) *Health treatment unit.* This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.

(14) *General professional unit.* This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.

(15) *Professional state residential instructional unit.* This unit shall consist of those classifications assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.

(16) *Supervisory employees unit.* This unit shall consist of those positions assigned to this unit in the unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980.

Subd. 2. [STATE EMPLOYEE SEVERANCE.] Each of the following groups of employees shall have the right, as specified in this subdivision, to separate from the general professional, health treatment or general supervisory units provided for in subdivision 1: attorneys, physicians, professional employees of the higher education coordinating board who are compensated pursuant to section 43.064, highway patrol-supervisors, and criminal apprehension investigative-supervisors. This right shall be exercised by petition during the period commencing on the effective date of this section and concluding thirty days after that date or, after January 1, 1981, during the sixty day period commencing 270 days prior to the termination of a contract covering the units. If one of these groups of employees exercises the right to separate from the units they shall

have no right to meet and negotiate, but shall retain the right to meet and confer with the commissioner of employee relations and with the appropriate appointing authority on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a state-wide basis wish to separate from their units may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from the units provided in subdivision 1. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from the unit in favor of separate meet and confer status for any one of these groups of employees, the director shall certify that result. This election shall, where not inconsistent with other provisions of this section, be governed by section 179.67. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.

Subd. 3. [UNIVERSITY OF MINNESOTA.] Subject to the provisions of section 41, subdivision 5 all appropriate units of university of Minnesota employees certified as of the effective date of this section are abolished. The following shall be the appropriate units of university of Minnesota employees for the purposes of sections 179.61 to 179.76. All units shall exclude managerial and confidential employees and supervisory employees shall only be assigned to unit 12. No additional units of university of Minnesota employees shall be recognized for the purpose of meeting and negotiating.

(1) Law enforcement unit. This unit shall consist of the positions of all employees with the power of arrest.

(2) Craft and trades unit. This unit shall consist of the positions of all employees whose work requires specialized manual skills and knowledge acquired through formal training or apprenticeship or equivalent on-the-job training or experience.

(3) Service, maintenance and labor unit. This unit shall consist of the positions of all employees whose work is typically that of maintenance, service or labor and which does not require extensive previous training or experience, except as provided in unit 4.

(4) Health care non-professional and service unit. This unit shall consist of the positions of all non-professional employees of the university of Minnesota hospitals, dental school and health service whose work is unique to those settings, excluding labor and maintenance employees as defined in unit 3.

(5) *Nursing professional unit. This unit shall consist of all positions which are required to be filled by registered nurses.*

(6) *Clerical and office unit. This unit shall consist of the positions of all employees whose work is typically clerical or secretarial, including non-technical data recording and retrieval and general office work, except as provided in unit 4.*

(7) *Technical unit. This unit shall consist of the positions of all employees whose work is not typically manual and which requires specialized knowledge or skills acquired through two year academic programs or equivalent experience or on-the-job training, except as provided in unit 4.*

(8) *Twin Cities instructional unit. This unit shall consist of the positions of all instructional employees with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow, located on the Twin Cities campuses.*

(9) *Outstate instructional unit. This unit shall consist of the positions of all instructional employees with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow, located at the Duluth campus, provided that the positions of instructional employees of the same ranks at the Morris, Crookston or Waseca campuses shall be included within this unit if a majority of the eligible employees voting at a campus so vote during an election conducted by the director, provided that such an election shall not be held unless and until the Duluth campus has voted in favor of representation. The election shall be held when an employee organization or group of employees petitions the director stating that a majority of the eligible employees at one of these campuses wishes to join the unit and this petition is supported by a showing of at least 30 percent support from eligible employees at that campus and is filed within 60 days of the effective date of this section or, after January 1, 1981, during the period between September 1 and November 1.*

(10) *Graduate assistant unit. This unit shall consist of the positions of all graduate assistants who are enrolled in the graduate school and who hold the rank of research assistant, teaching assistant, teaching associate I or II, project assistant, or administrative fellow I or II.*

(11) *Non-instructional professional unit. This unit shall consist of the positions of all employees meeting the requirements of either clause (a) or (b) of section 179.63, subdivision 10, which are not defined as included within the instructional unit.*

(12) *Supervisory employees unit. This unit shall consist of the positions of all supervisory employees.*

The employer shall petition the director within 90 days of the effective date of this subdivision indicating his position with respect to the allocation of all positions to the units provided in this subdivision. The employer shall serve a copy of the petition on the exclusive representatives of the affected employees. When the employer's position with respect to the positions to be included within a unit established by this subdivision is challenged by an employee organization petitioning under section 179.67, the director shall make a determination as to the allocation of the challenged positions under the language of subdivision 3. His determination shall be made within 60 days of receipt of the petitioning organization's challenge and may be appealed only to the supreme court which shall hear the matter on an expedited basis. Should both units 8 and 9 each elect exclusive bargaining representatives those representatives shall jointly negotiate a contract with the regents.

Subd. 4. [UNIVERSITY OF MINNESOTA EMPLOYEE SEVERANCE.] *Each of the following groups of university of Minnesota employees shall have the right, as specified in this subdivision, to separate from the instructional and supervisory units provided for in subdivision 3: (1) health sciences instructional employees at all campuses with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow, (2) instructional employees of the law school with the rank of professor, associate professor, assistant professor, including research associate, or instructor, including research fellow, (3) instructional supervisors, and (4) non-instructional professional supervisors. This right shall be exercised by petition during the period commencing on the effective date of this section and concluding 60 days after that date or, after January 1, 1981, during the period between September 1 and November 1. If one of these groups of employees exercises the right to separate from their unit they shall have no right to meet and negotiate, but shall retain the right to meet and confer with the appropriate officials on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a state-wide basis wish to separate from their unit may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from their unit provided in subdivision 3. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from their unit in favor of meet and confer status for any one of these groups of employees, the director shall certify that result. This election shall, where not inconsistent with other provisions of this section, be governed by section 179.67. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.*

Sec. 41. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.742] [TRANSITION TO NEW BARGAINING UNIT STRUCTURE FOR STATE AND UNIVERSITY OF MINNESOTA EMPLOYEES.] *Subdivision 1. [APPLICATION OF SECTION.] Notwithstanding section 179.65, subdivision 2, or any other law, this section shall govern, where contrary to other law, the initial certification and decertification, if any, of exclusive representatives for the appropriate units of state employees and university of Minnesota employees established by section 40. Subsequent to the initial certification and decertification, if any, pursuant to this section, the provisions of this section shall not apply.*

Subd. 2. [EXISTING MAJORITY.] The director shall certify an employee organization as exclusive representative for an appropriate unit established by section 40 upon a petition filed with the director by the organization within 30 days of the effective date of this section for state employees and within 180 days of the effective date of this section for university of Minnesota employees stating that the petitioner is certified pursuant to section 179.67 as the exclusive representative of a majority of the employees included within the unit established by section 40 on the effective date of this section. Two or more employee organizations which represent the employees in a unit established by section 40, may petition jointly pursuant to this subdivision, provided that any organization may withdraw from a joint certification in favor of the remaining organization or organizations on 30 days notice to the remaining organization or organizations, the employer, and the director without effect upon the rights and obligations of the remaining organization or organizations or the employer. The director shall make a determination on a timely petition within 45 days of its receipt.

Subd. 3. [NO EXISTING MAJORITY.] (1) If no exclusive representative is certified under subdivision 2, the director shall certify an employee organization as exclusive representative for an appropriate unit established by section 40 upon a petition filed by the organization within the time period provided in subdivision 2, stating that the petitioner is certified pursuant to section 179.67 as the exclusive representative of fewer than a majority of the employees included within the unit established by section 40, where no other employee organization so certified has filed a petition within the time period provided in subdivision 2 so long as a majority of the employees in the unit established by section 40 are represented by employee organizations pursuant to section 179.67 on the effective date of this section. Two or more employee organizations, each of which represents employees included in the unit established by section 40 may petition jointly pursuant to this clause, provided that any organization may withdraw from a joint certification in favor of the remaining organization or organizations on 30 days notice to the remaining organization or organizations, the

employer, and the director without effect upon the rights and obligations of the remaining organization or organizations or the employer. The director shall make a determination on a timely petition within 45 days of its receipt.

(2) If no exclusive representative is certified under subdivision 2 or subdivision 3, clause (1), and an employee organization petitions the director within 45 days of the effective date of this section for state employees and within 195 days of the effective date of this section for university of Minnesota employees stating that at least 30 percent of the employees included within a unit established by section 40 wish to be represented by the petitioner, where this 30 percent is evidenced by current dues deduction rights, signed statements plainly indicating that the signatories wish to be represented for collective bargaining purposes by the petitioner rather than by any other organization, or a combination thereof, the director shall conduct a secret ballot election to determine the wishes of the majority. The election shall be conducted within 75 days of the effective date of this section for state employees and within 225 days of the effective date of this section for university of Minnesota employees and shall, where not inconsistent with other provisions of this section, be governed by section 179.67.

Subd. 4. [DECERTIFICATION.] Prior to January 1, 1981 the director shall consider a petition for decertification of an exclusive representative certified under this section only when the petition is filed within 60 days of the initial certification and only when the certification was made pursuant to subdivisions 2 or 3(1). The petition shall be considered under the provisions of section 179.67 except where they are inconsistent with this subdivision.

Subd. 5. [CONTRACT AND REPRESENTATION RESPONSIBILITIES.] Notwithstanding the provisions of section 40, the exclusive representatives of units of state employees and university of Minnesota employees certified prior to the effective date of this section shall remain responsible for administration of their contracts and for all other contractual duties and shall enjoy the right to dues and fair share fee deduction and all other contractual privileges and rights until June 30, 1981. Exclusive representatives of state employees and university of Minnesota employees certified after the effective date of this section shall immediately upon certification have the responsibility of bargaining on behalf of employees within the unit. They shall also have the responsibility of administering grievances arising under previous contracts covering employees included within the unit which remain unresolved on June 30, 1981. Where the employer does not object, these responsibilities may be varied by agreement between the outgoing and incoming exclusive representatives. All other rights and duties of representation shall commence on July 1, 1981, except that exclusive representatives certified after the effective date of this section

shall immediately upon certification have the right to all employer information and all forms of access to employees within the bargaining unit which would be permitted to the current contract-holder. This section shall in no way affect any existing collective bargaining contract. Should an exclusive bargaining agent not be certified for the unit provided for in section 40, subdivision 3, clause (2), the employees assigned to that unit shall continue to be compensated pursuant to the appropriate university of Minnesota civil service rules, or by the terms of any master or uniform contract of their particular trade which exists between associations of employers in their local area representing all or substantially all of the employees of that trade.

Nothing in sections 1 to 42 shall prevent an exclusive representative certified after the effective date of sections 1 to 42 from assessing fair share or dues deductions immediately upon certification for employees in a unit established under section 40 if the employees were unrepresented for collective bargaining purposes prior to that certification.

Sec. 42. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.743] [STATE EMPLOYEES.] When no prior determination has been made with respect to the supervisory status of a state employee or his predecessor and no agreement can be reached between the employer and petitioning employee organizations, the commissioner of employee relations may petition the director for a determination. When no agreement can be reached between the employer and petitioning employee organizations on the confidential status of a state employee, the commissioner of employee relations may petition the director for a determination. The commissioner shall serve a copy of the petition on the exclusive representatives of the affected employees. The director shall not exclude any supervisory or confidential employee from an appropriate unit of nonsupervisory or nonconfidential state employees on the basis of a petition filed later than 30 days after the effective date of this section, except as provided in section 34. The director shall make all determinations under this subdivision within 60 days of receipt of a timely petition. The director shall have full discretion in his determination of the application of sections 179.63, subdivisions 8, 9, and 9a, and 179.-71, subdivision 3, paragraph 2 in all cases arising under this subdivision. Notwithstanding any other law, his decision shall be final and no appeal whatsoever shall be heard. For the purposes of the certification of a bargaining agent for units provided in subdivision 1 of section 40 employees sought to be excluded by a timely and valid petition as supervisory or confidential shall be counted or shall vote separately in a fashion which shall permit them to be individually excluded or included after a determination as to their status. When a certification is dependent upon challenged employees, the director shall determine the

status of the challenged employees prior to deciding the cases of challenged employees whose status need not be determined for a certification. In the latter situation the certification of a bargaining agent shall proceed irrespective of pending challenges.

Sec. 43. Laws 1979, Chapter 332, Article I, Section 114, is amended to read:

Sec. 114. [REPEALER.] Effective July 1, 1981, Minnesota Statutes 1978, Sections 43.03; 43.06; 43.062; 43.063; (43.064;) 43.065; 43.067; 43.068; 43.069; 43.07; 43.09; (43.111;) 43.12, subdivisions 2 to 27; 43.121; 43.122; 43.126; 43.127; 43.128; (43.13; 43.14;) 43.162; (43.17; 43.18; 43.19; 43.20; 43.21;) 43.22; 43.222; 43.223; 43.224; 43.23; 43.24; (43.245; 43.321;) 43.322; 43.323; 43.324; 43.326; 43.327; 43.33; 43.44; (43.45; 43.46;) 43.48; and 43.49 (; 43.50; AND 43.51) are repealed.

Sec. 44. Laws 1979, Chapter 332, Article I, Section 116, is amended to read:

Sec. 116. [EFFECTIVE DATE.] The effective dates for Article I are as follows: sections 2, 4, 8, 40, 45, 46, 47, 58, 61, 65, 82-91, and 113 are effective upon final enactment. Section 64, is effective June 30, 1980. Sections 3, 5, 6 and 7 are effective July 1, 1981. The remaining provisions of Article I are effective July 1, 1979. The provisions of section 47 shall apply to all disciplinary actions taken on or after the effective date of section 47. *The provisions of section 63 shall expire on July 1, 1981, but shall apply to all arbitration proceedings which are to determine contractual provisions for the 1981-1983 biennium. The provisions of section 64 shall expire on July 1, 1981, but shall apply to all arbitration proceedings which are to determine contractual provisions for the next contract period.* The provisions of sections (63,) 93 to 111 and 113 shall expire on July 1, 1981. The provisions of section 137.02, subdivision 4, shall not apply to sections 93 to 111.

Sec. 45. [REPEALER.] *Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7, are repealed.*

Sec. 46. [APPROPRIATION.] *Subdivision 1. The amount of \$285,000 is appropriated for the period ending June 30, 1981 to the department of employee relations. The approved complement of the department of employee relations is increased by 5 persons.*

Subd. 2. The amount of \$100,500 is appropriated for the period ending June 30, 1981 to the bureau of mediation services for the purpose of implementing sections 19 to 40.

Sec. 47. [INSTRUCTIONS TO REVISOR.] *In the next and all subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "department of employee relations" for "department of personnel" in every place where the latter is used. The revisor of statutes shall substitute the term "commissioner of employee relations" for "commissioner of personnel" in every place where the latter term is used.*

Sec. 48. [EFFECTIVE DATE.] *Section 16 shall be effective on July 1, 1981. Sections 22, 30, 31 and 32 are effective July 1, 1980. The remaining provisions of this act are effective the day following final enactment but shall not alter the terms of any existing collective bargaining agreement before it expires. Any impermissible affiliation of an exclusive representative, under the provisions of section 27, existing on the effective date of section 27 may continue until the termination of any labor agreement in effect on the effective date of this section."*

Further, amend the title as follows:

Page 1, line 18, before "2" insert "1,"

Page 1, line 31, delete "179.64, Subdivision 1;"

Page 1, lines 16 and 17, delete "43.19, Subdivision 1;"

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

Senate Conferees: NICHOLAS D. COLEMAN, TOM A. NELSON and ROBERT O. ASHBACH.

House Conferees: WAYNE A. SIMONEAU, STEVEN G. NOVAK and STEVE A. SVIGGUM.

Simoneau moved that the report of the Conference Committee on S. F. No. 2085 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2085, A bill for an act relating to public employees; creating a state department of employee relations; establishing appropriate units for state and university of Minnesota employees; providing for a right to strike; providing for interim contract approval by the legislative commission on employee relations; clarifying civil service laws; providing for health benefits; providing for a study of promotional systems; repealing duty of the revisor of statutes regarding certain collective bargaining agreements; appropriating money; amending Minnesota Statutes 1978, Sections 43.001; 43.01, Subdivision 8; 43.05, by adding a subdivision; 43.111; 43.18, Subdivision 4; 43.19, Subdivision 1; 43.245; 43.321; 43.45; 43.46; 179.63, Subdivisions 7 and 8; 179.64, Subdivisions 2, 3, 4, and 5, and by adding a subdivision; 179.67, Subdivision 4; 179.69, Subdivisions 1 and 3; 179.71, Subdivisions 3 and 5; 179.72, Subdivision 6; 179.74, Subdivisions 2 and 3; and Chapters 43 and 179, by adding sections;

and Minnesota Statutes, 1979 Supplement, Sections 3.855; 43.05, Subdivision 2; 43.067, Subdivision 1; 43.19, Subdivision 1; 43.50, Subdivision 1; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5; and Laws 1979, Chapter 332, Article I, Sections 114 and 116; repealing Minnesota Statutes 1978, Sections 43.003; 43.50, Subdivision 3; 179.64, Subdivision 1; 179.69, Subdivisions 4, 5, and 6; and 482.18; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 5; and 179.64, Subdivision 7.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 86 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Adams	Eken	Kelly	Nelsen, M.	Sieben, M.
Ainley	Elioff	Kempe	Norman	Simoneau
Anderson, B.	Ellingson	Knickerbocker	Novak	Stoa
Anderson, I.	Evans	Kostohryz	Osthoff	Sviggum
Anderson, R.	Ewald	Kroening	Otis	Swanson
Battaglia	Forsythe	Laidig	Patton	Tomlinson
Begich	Fudro	Lehto	Pehler	Vanasek
Berglin	Greenfield	Levi	Peterson, B.	Voss
Berkelman	Heap	Long	Peterson, D.	Waldorf
Biersdorf	Heinitz	Mann	Prahl	Weaver
Blatz	Hoberg	McCarron	Reding	Welch
Byrne	Hokanson	McEachern	Rees	Wenzel
Carlson, D.	Jacobs	Mehrkens	Reif	Zubay
Carlson, L.	Johnson, C.	Metzen	Rice	Spkr. Norton
Casserly	Johnson, D.	Minne	Rodriguez	
Clark	Jude	Moe	Sarna	
Clawson	Kahn	Munger	Schreiber	
Corbid	Kaley	Murphy	Sieben, H.	

Those who voted in the negative were:

Aasness	Erickson	Kalis	Piepho	Valan
Albrecht	Esau	Kvam	Pleasant	Valento
Anderson, D.	Faricy	Ludeman	Redalen	Welker
Anderson, G.	Fjoslien	Luknic	Rose	Wieser
Brinkman	Friedrich	McDonald	Rothenberg	Wigley
Crandall	Fritz	Nelsen, B.	Searle	Wynia
Dean	Halberg	Niehaus	Searles	
Dempsey	Haukoos	Nysether	Sherwood	
Den Ouden	Jaros	Olsen	Stadium	
Drew	Jennings	Onnen	Thiede	

The bill was repassed, as amended by Conference, and its title agreed to.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1813

A bill for an act relating to public finance; authorizing the issuance of Minnesota state railroad assistance bonds; appropriating money; amending Minnesota Statutes 1978, Chapter 222, by adding a section.

April 9, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1813, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendments and that H. F. No. 1813 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [RAILROAD ASSISTANCE; APPROPRIATION.] The sum of \$13,500,000 is appropriated from the state building fund to the rail service improvement account in the special revenue fund, to be expended by the commissioner of transportation for the purposes specified in Minnesota Statutes, Sections 222.49 to 222.62.

Sec. 2. [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 an amount up to \$13,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, Sections 16A.63 to 16A.67 and by the Constitution, Article XI, Sections 4 to 7."

Delete the title and insert:

"A bill for an act relating to transportation; appropriating money for rail service improvement; authorizing issuance of state bonds."

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

House Conferees: BRUCE ANDERSON, STEVE A. SVIGGUM and GORDON O. VOSS.

Senate Conferees: TIMOTHY J. PENNY, FRANKLIN J. KNOLL and EMERY BARRETTE.

Anderson, B., moved that the report of the Conference Committee on H. F. No. 1813 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1813, A bill for an act relating to public finance; authorizing the issuance of Minnesota state railroad assistance bonds; appropriating money; amending Minnesota Statutes 1978, Chapter 222, by adding a section.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 119 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Jude	Nelsen, M.	Sieben, H.
Adams	Elioff	Kahn	Norman	Sieben, M.
Anderson, B.	Ellingson	Kalis	Novak	Simoneau
Anderson, D.	Erickson	Kelly	Nysether	Stadum
Anderson, G.	Esau	Kempe	Olsen	Stoa
Anderson, I.	Evans	Knickerbocker	Onnen	Stowell
Anderson, R.	Ewald	Kostohryz	Osthoff	Sviggum
Battaglia	Faricy	Kroening	Otis	Swanson
Begich	Fjoslien	Laidig	Patton	Thiede
Berglin	Forsythe	Lehto	Pehler	Tomlinson
Berkelman	Friedrich	Levi	Peterson, B.	Valan
Blatz	Fudro	Long	Peterson, D.	Vanasek
Brinkman	Greenfield	Ludeman	Piepho	Voss
Carlson, D.	Halberg	Luknic	Pleasant	Waldorf
Carlson, L.	Haukoos	Mann	Redalen	Weaver
Cassery	Heap	McCarron	Reding	Welch
Clark	Heinitz	McDonald	Rees	Welker
Clawson	Hoberg	McEachern	Reif	Wenzel
Corbid	Hokanson	Mehrkens	Rice	Wieser
Crandall	Jacobs	Minne	Rodriguez	Wigley
Dean	Jaros	Moe	Rose	Wynia
Dempsey	Jennings	Munger	Rothenberg	Zubay
Den Ouden	Johnson, C.	Murphy	Sarna	Spkr. Norton
Drew	Johnson, D.	Nelsen, B.	Sherwood	

Those who voted in the negative were:

Albrecht	Kaley	Niehaus	Schreiber	Valento
Fritz	Kvam			

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2268

A bill for an act relating to financial institutions; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; amending Minnesota Statutes 1978, Section 46.24; and Minnesota Statutes, 1979 Supplement, Section 46.04.

April 10, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2268, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendments and that H. F. No. 2268 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 46.04, is amended to read:

46.04 [COMMISSIONER; POWERS.] *Subdivision 1.* The commissioner of banks, referred to in Minnesota Statutes, Chapters 46 to 59, as the commissioner, is vested with all the powers, authority, and privileges which, prior to the enactment of Laws 1909, Chapter 201, were conferred by law upon the public examiner, and he shall take over all duties in relation to state banks, savings banks, trust companies, savings associations, and other financial institutions within the state which, prior to the enactment of chapter 201, were imposed upon the public examiner. The commissioner of banks shall exercise a constant supervision, either personally or through the examiners herein provided for, over the books and affairs of all state banks, savings banks, trust companies, savings associations, and other financial institutions doing business within this state; and shall, through examiners, examine at least once in every 18 month period the state banks and savings banks as are also subject to annual examinations by the federal deposit insurance corporation or the federal reserve bank. If any state bank or savings bank is not examined by one of these federal agencies annually, the commissioner shall examine the bank or savings bank, so that the bank or savings bank is examined at least once annually by either one of these federal agencies or the commissioner. Trust companies, savings associations, credit unions,

industrial loan and thrift companies and other financial institutions shall be examined once a year. With the exception of industrial loan and thrift companies which do not have deposit liabilities and small loan companies, it shall be the principal purpose of these examinations to inspect and verify the assets and liabilities of each and so far investigate the character and value of the assets of each such institution as to determine with reasonable certainty that the values are correctly carried on its books. Assets and liabilities shall be verified in accordance with methods of procedure which the commissioner may determine to be adequate to carry out the intentions of this section. None of the above provisions (SHALL LIMIT) *limits* the commissioner in making additional examinations as he deems necessary or advisable. He shall investigate the methods of operation and conduct of these institutions and their systems of accounting, to ascertain whether these methods and systems are in accordance with law and sound banking principles. He may make such requirements as to records as he deems necessary to facilitate the carrying out of his duties and to properly protect the public interest. He may examine, or cause to be examined by these examiners, on oath, any officer, director, trustee, owner, agent, clerk, customer, or depositor of any such financial institution touching the affairs and business thereof, and may issue, or cause to be issued by the examiners, subpoenas, and administer, or cause to be administered by the examiners, oaths. In case of any refusal to obey any subpoena issued by him or under his direction, the refusal may at once be reported to the district court of the district in which the bank or other financial institution is located, and this court shall enforce obedience to these subpoenas in the manner provided by law for enforcing obedience to subpoenas of the court. In all matters relating to his official duties, the commissioner of banks has the power possessed by courts of law to issue subpoenas and cause them to be served and enforced, and all officers, directors, trustees, and employees of state banks, savings banks, trust companies, savings associations, and other financial institutions within the state, and all persons having dealings with or knowledge of the affairs or methods of these institutions, shall afford reasonable facilities for these examinations, make (SUCH) returns and reports to the commissioner of banks as he may require; attend and answer, under oath, his lawful inquiries; produce and exhibit (SUCH) *any* books, accounts, documents, and property as he may desire to inspect, and in all things aid him in the performance of his duties.

Subd. 2. With respect to specific transactions between a bank holding company and a state bank affiliate, the commissioner of banks shall have the authority to examine the records of such holding company that directly pertain to such transactions to the same extent such holding company were a state bank or trust company. For purposes of this subdivision, a bank holding company is defined as a company registered as such with the Federal Reserve System pursuant to the Bank Holding Company Act of 1956, as amended.

Sec. 2. Minnesota Statutes 1978, Section 46.24, is amended to read:

46.24 [CEASE AND DESIST PROCEEDINGS; INJUNCTIVE RELIEF.] Subdivision 1. [NOTICE OF CHARGES, ISSUANCE, CONTENTS; HEARING; CEASE AND DESIST ORDER. ISSUANCE, SERVICE, CONTENTS.] If in the opinion of the commissioner any institution or a director, officer, employee, agent or other person participating in the conduct of the affairs of the institution is engaging, or has engaged, or the commissioner has reasonable cause to believe that the institution is about to engage, in an unsafe or unsound practice in conducting the business of such institution or is violating, has violated, or the commissioner has reasonable cause to believe that the institution or a director, officer, employee, agent or other person participating in the conduct of the affairs of the institution is about to violate a law or rule, or a condition imposed in writing by the commissioner in connection with the granting of any application or other request by the institution or any written agreement entered into with the commissioner, the commissioner may issue and serve upon the institution or director, officer, employee, agent or other person, a notice of charges in respect thereof. The notice shall contain a statement of the facts constituting the alleged unsafe or unsound practice or violation, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the institution or a director, officer, employee, agent or other person participating in the conduct of the affairs of the institution. The hearing shall be not earlier than 10 days nor later than 30 days after service of the notice unless an earlier or a later date is set by the commissioner at the request of (THE INSTITUTION) any party so served. Unless the (INSTITUTION APPEARS) party or parties so served appear at the hearing by a duly authorized representative, (IT) they (SHALL BE) are deemed to have consented to the issuance of the cease and desist order. In the event of (SUCH) consent, or if upon the record made at any (SUCH) hearing the commissioner finds that any unsafe or unsound practice or violation specified in the notice of charges has been established, the commissioner may issue and serve upon the institution or a director, officer, employee, agent or other person participating in the conduct of the affairs of the institution an order to cease and desist from (ANY SUCH) the practice or violation. By provisions which may be mandatory or otherwise, the order may require the institution (AND) or its directors, (TRUSTEES,) officers, employees (AND), agents and other persons participating in the conduct of the affairs of the institution to cease and desist from the same and to take affirmative action to correct the conditions resulting from (ANY SUCH) the practice or violation.

Subd. 2. [EFFECTIVE DATE.] A cease and desist order (SHALL BECOME) is effective at the expiration of 30 days after the service of the order upon the institution or other per-

son concerned, except in the case of an order issued upon consent which (SHALL BECOME) is effective at the time specified therein, and (SHALL REMAIN) *remains* effective and enforceable as provided therein, except to the extent it is stayed, modified, terminated or set aside by the action of the commissioner or a reviewing court.

Subd. 3. [TEMPORARY CEASE AND DESIST ORDERS.]

(1) *Whenever the commissioner of banks determines that the violation or threatened violation or the unsafe or unsound practice or practices, specified in the notice of charges served upon the institution or a director, officer, employee, agent, or other person participating in the conduct of the affairs of the institution pursuant to subdivision 1, or the continuation thereof, is likely to cause insolvency or substantial dissipation of assets or earnings of the institution, or is likely to seriously weaken the condition of the institution or otherwise seriously prejudice the interests of the institution's depositors prior to the completion of the proceedings conducted pursuant to subdivision 1, the commissioner may issue a temporary order requiring the institution or a director, officer, employee, agent, or other person to cease and desist from the violation or practice and to take affirmative action to prevent insolvency, dissipation, condition, or prejudice pending completion of the proceedings. The order becomes effective upon service upon the institution or a director, officer, employee, agent, or other person participating in the conduct of the affairs of the institution and, unless set aside, limited, or suspended by a court in proceedings authorized by clause (2), remains effective and enforceable pending the completion of the administrative proceedings pursuant to the notice and until the time the commissioner dismisses the charges specified in the notice, or if a cease and desist order is issued against the institution or a director, officer, employee, agent or other person, until the effective date of the order.*

(2) *Within ten days after the institution concerned or a director, officer, employee, agent, or other person participating in the conduct of the affairs of the institution has been served with a temporary cease and desist order, the institution or a director, officer, employee, agent, or other person may apply to the appropriate district court for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of the order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the institution or a director, officer, employee, agent, or other person under subdivision 1, and the court has jurisdiction to issue an injunction.*

Sec. 3. Minnesota Statutes 1978, Chapter 47, is amended by adding a section to read:

[47.202] [COMMISSIONER'S REPORT ON FEDERAL PREEMPTION.] *The commissioner shall, in his next annual*

report to the legislature, as required by section 47.20, subdivision 12, include an analysis of the effect of the provisions of P. L. 96-211, Title V, Part A on real estate lending in Minnesota.

Sec. 4. Minnesota Statutes 1978, Chapter 47, is amended by adding a section to read:

[47.203] [FEDERAL PREEMPTION OVERRIDE.] *The provisions of P.L. 96-211, Title V, Part A, Section 501 (a)(1), do not apply with respect to a loan, mortgage, credit sale or advance made in this state after the effective date of this section, nor with respect to a loan, mortgage, credit sale or advance secured by real property located in this state and made after the effective date of this section.*

Sec. 5. [EFFECTIVE DATE.] *Section 4 is effective December 31, 1981."*

Delete the title and insert:

"A bill for an act relating to financial institutions; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; requiring commissioner to report on federal usury preemption; amending Minnesota Statutes 1978, Section 46.24; Chapter 47, by adding sections; and Minnesota Statutes, 1979 Supplement, Section 46.04."

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

House Conferees: ROBERT L. ELLINGSON and KATHLEEN A. BLATZ.

Senate Conferees: WILLIAM P. LUTHER, JIM NICHOLS and HARMON T. OGDahl.

Ellingson moved that the report of the Conference Committee on H. F. No. 2268 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2268, A bill for an act relating to financial institutions; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; amending Minnesota Statutes 1978, Section 46.24; and Minnesota Statutes, 1979 Supplement, Section 46.04.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 100 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Lehto	Onnen	Sieben, M.
Ainley	Evans	Levi	Osthoff	Simoneau
Anderson, D.	Ewald	Long	Otis	Stadum
Anderson, G.	Fariy	Ludeman	Patton	Stoa
Anderson, I.	Fjoslien	Luknic	Pehler	Stowell
Anderson, R.	Greenfield	McCarron	Peterson, B.	Sviggum
Battaglia	Halberg	McDonald	Peterson, D.	Swanson
Berkelman	Heap	McEachern	Pleasant	Thiede
Biersdorf	Heinitz	Mehrkens	Prahl	Tomlinson
Blatz	Hokanson	Metzen	Reding	Valento
Byrne	Jacobs	Moe	Rees	Vanasek
Carlson, D.	Jaros	Munger	Reif	Voss
Carlson, L.	Johnson, C.	Murphy	Rodriguez	Waldorf
Casserly	Jude	Nelsen, B.	Rose	Weaver
Clark	Kahn	Nelsen, M.	Rothenberg	Wenzel
Corbid	Kaley	Niehaus	Sarna	Wieser
Dean	Kempe	Norman	Schreiber	Wigley
Eken	Knickerbocker	Novak	Searles	Wynia
Elioff	Kostohryz	Nysether	Sherwood	Zubay
Ellingson	Laidig	Olsen	Sieben, H.	Spkr. Norton

Those who voted in the negative were:

Adams	Den Ouden	Haukoos	Kalis	Mann
Albrecht	Esau	Hoberg	Kelly	Redalen
Begich	Forsythe	Jennings	Kroening	Valan

The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1302

A bill for an act relating to financial institutions; permitting banks and trust companies to take junior liens under certain circumstances; amending Minnesota Statutes 1978, Section 48.19, Subdivision 1.

April 11, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1302, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1302 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 48.19, Subdivision 1, is amended to read:

48.19 [LOANS ON REAL ESTATE RESTRICTED.] Subdivision 1. [RESTRICTIONS; EXCEPTION.] No bank or trust company shall make any loan upon the security of real estate unless it is a first lien thereon, except that a bank or trust company may take a junior lien: (a) upon real estate to secure a loan previously contracted; (OR) (b) upon farm real estate to secure a loan made to a farmer who resides in a county which due to weather conditions is a declared federal disaster area at the time the loan contract is signed; or (c) upon real estate to secure a loan if the total unpaid aggregate of all outstanding liens against the same real estate does not exceed 80 percent of its appraised value. Before any such loans are made the value of the real estate shall be determined by an appraisal made by a committee appointed by the board of directors, which appraisal shall be made a matter of record; except that the board may accept an appraisal made by or for an agency of the United States government when such agency is guaranteeing or insuring the loan or any part thereof.

A bank may take additional liens on the same security and these shall be considered to be part of the same mortgage lien thereon providing it has been established that there are no intervening liens.

Loans in which the small business administration cooperates through agreements to participate on an immediate or deferred basis under the federal small business act or loans or obligations secured or guaranteed by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States, shall not be subject to the restrictions or limitations of this section imposed upon loans secured by real estate.

Sec. 2. Minnesota Statutes 1978, Section 50.14, Subdivision 5, is amended to read:

Subd. 5. (1) Class four shall be:

(a) Notes or bonds secured by mortgages or trust deeds on unencumbered real estate, whether in fee or in a leasehold of a duration not less than ten years beyond the maturity of the loan, in any state of the United States, worth at least twice the amount loaned thereon;

(b) Notes or bonds secured by mortgages or trust deeds on unencumbered real estate in clause (1) (a) where (SUCH) *the* notes or bonds do not exceed 80 percent of the appraised value of the security for the same, provided that (SUCH) *the* notes or bonds are payable in instalments aggregating not less than five percent of the original principal (PER ANNUM) *a year* in addition to the interest; or, are payable on a regular amortization basis in equal instalments including principal and interest, (SUCH) *these* instalments to be payable monthly in (SUCH) amounts that the debt will be fully paid in not to exceed 30 years if the security is non-agricultural real estate, and (SUCH) *these* instalments to be payable annually or semi-annually in (SUCH) amounts that the debt will be fully paid in not to exceed 25 years if the security is agricultural real estate. A construction loan (SHALL BE) *is* deemed amortized as required by this clause if the first instalment thereon (SHALL BE) *is* payable not later than 18 months after the date of the first advance in the case of residential construction or not later than 36 months after the date of the first advance in the case of nonresidential construction; and

(c) Notes or bonds secured by mortgages or trust deeds on unencumbered real estate in clause (1) (a) which are in an original principal amount of \$100,000 or more and which do not exceed 95 percent of the appraised value of the security for the same which may be payable in (SUCH) *the* manner as the trustees of the bank (SHALL) prescribe, provided that construction loans made by a savings bank pursuant to this clause (1) (c) (SHALL) *do* not exceed in the aggregate five percent of the assets of the savings bank.

(2) Class four investments shall be made only on report of a committee directed to investigate the same and report its value, according to the judgment of its members, and its report shall be preserved among the bank's records.

(3) Notwithstanding anything to the contrary in clause (1) (b), a mutual savings bank organized under the laws of this state may invest in notes or bonds secured by mortgages or trust deed where (SUCH) *the* notes or bonds do not exceed 95 percent of the appraised value of the security for the same. Except as modified herein, the other provisions of clause (1) (b) (SHALL) apply.

(4) For purposes of this subdivision, real estate (SHALL BE) *is* deemed unencumbered if the only existing mortgage or lien against the real estate is a first mortgage lien in favor of the savings bank making a second mortgage loan *or if the total unpaid aggregate of all outstanding liens against the same real estate does not exceed 80 percent of its appraised value.*

Sec. 3. Minnesota Statutes 1978, Chapter 47, is amended by adding a section to read:

[47.202] [COMMISSIONER'S REPORT ON FEDERAL PREEMPTION.] *The commissioner of banks shall, in his next annual report to the legislature, as required by section 47.20, subdivision 12, include an analysis of the effect of the provisions of P. L. 96-211, Title V, Part A on real estate lending in Minnesota.*

Sec. 4. Minnesota Statutes 1978, Chapter 47, is amended by adding a section to read:

[47.203] [FEDERAL PREEMPTION OVERRIDE.] *The provisions of Pub. L. 96-211, Title V, Part A, Section 501(a)(1), do not apply with respect to a loan, mortgage, credit sale or advance made in this state after the effective date of this section, nor with respect to a loan, mortgage, credit sale or advance secured by real property located in this state and made after the effective date of this section.*

Sec. 5. Minnesota Statutes 1978, Section 168.72, is amended to read:

168.72 [TIME PRICE DIFFERENTIALS.] *Subdivision 1. [MOTOR VEHICLES.] (a) The time price differential authorized by sections 168.66 to 168.77 in a retail installment sale shall not exceed the following rates:*

Class 1. Any motor vehicle designated by the manufacturer by a year model of the same or not more than one year prior to the year in which the sale is made—\$8 per \$100 per year.

Class 2. Any motor vehicle designated by the manufacturer by a year model of two or three years prior to the year in which the sale is made—\$11 per \$100 per year.

Class 3. Any motor vehicle not in Class 1 or Class 2—\$13 per \$100 per year plus a flat charge of \$3 for each (SUCH) retail installment sale.

(b) (SUCH) *The time price differential shall be computed on the principal balance as determined under section 168.71(b) and shall be computed at the rate indicated on contracts payable in successive monthly installment payments substantially equal in amount extending for a period of one year. On contracts providing for installment payments extending for a period less than or greater than one year, the time price differential shall be computed proportionately.*

(c) When a retail installment contract provides for unequal or irregular installment payments, the time price differential (SHALL BE) *is at the effective rate provided in subsection (a) hereof, having due regard for the irregular schedule of payment.*

(d) The time price differential (SHALL BE) is inclusive of all charges incident to investigating and making the contract, and for the extension of the credit provided for in the contract and no fee, commission, expense or other charge whatsoever shall be taken, received, reserved or contracted for except as provided in sections 168.66 to 168.77.

Subd. 2. [MOBILE HOMES.] (a) Notwithstanding any other law to the contrary the time price differential authorized by sections 168.66 to 168.77 in a retail installment sale of a mobile home, as defined in section 168.011, subdivision 8, shall not exceed 12 percent per year or at a rate of not more than 4-1/2 percent in excess of the discount rate on 90 day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district encompassing Minnesota, whichever is greater.

(b) This subdivision supersedes the provisions of subdivision 3 for purposes of determining the lawful time price differential in a retail installment sale of a mobile home if the sale is made between the effective date of this subdivision and July 31, 1983.

Subd. 3. A sale of a mobile home made after July 31, 1983, is governed by the provisions of subdivision 1 for purposes of determining the lawful time price differential rate. A retail installment sale of a mobile home that imposes a time price differential rate that is greater than the rate permitted by this subdivision is lawful and enforceable in accordance with its terms until the indebtedness is fully satisfied if the rate was lawful when the sale was made.

Sec. 6. Minnesota Statutes 1978, Section 550.37, is amended by adding a subdivision to read:

Subd. 21. Rights of action for injuries to the person of the debtor or of a relative whether or not resulting in death.

Sec. 7. Minnesota Statutes 1978, Section 550.37, is amended by adding a subdivision to read:

Subd. 22. The debtor's aggregate interest not to exceed in value \$4,000 in any accrued dividend or interest under or loan value of any unmaturred life insurance contract owned by the debtor under which the insured is the debtor or an individual of whom the debtor is a dependent.

Sec. 8. Minnesota Statutes 1978, Section 550.37, is amended by adding a subdivision to read:

Subd. 23. The debtor's right to receive a payment under a stock bonus, pension, profit sharing, annuity, or similar plan or contract on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

Sec. 9. [REPEALER.] *Minnesota Statutes, 1979 Supplement, Section 48.185, Subdivision 2, is repealed.*

Sec. 10. [REPEALER.] *Section 5, subdivision 2 is repealed effective July 31, 1983.*

Sec. 11. [EFFECTIVE DATES.] *Sections 1, 2, 3, 5, subdivisions 1 and 3, 6, 7, 8 and 9 are effective the day following final enactment. Section 4 is effective December 31, 1981."*

Delete the title and insert:

"A bill for an act relating to commerce; permitting banks, trust companies and mutual savings banks to take junior liens under certain circumstances; requiring availability of bank ownership information; requiring the commissioner of banks to report on federal usury preemption; providing a federal preemption override; establishing certain time price differentials on retail installment sales of mobile homes; exempting certain insurance contracts, employee benefits and rights of action from garnishment or attachment; amending Minnesota Statutes 1978, Sections 48.19, Subdivision 1; 50.14, Subdivision 5; and 168.72; 550.37, by adding subdivisions; and Chapter 47, by adding sections; repealing Minnesota Statutes, 1979 Supplement, Section 48.185, Subdivision 2."

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

House Conferees: ROBERT L. ELLINGSON, ANN WYNIA and KATHLEEN A. BLATZ.

Senate Conferees: OTTO T. BANG JR., ROGER LAUFENBERGER and DOUGLAS J. JOHNSON.

Ellingson moved that the report of the Conference Committee on H. F. No. 1302 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1302, A bill for an act relating to financial institutions; permitting banks and trust companies to take junior liens under certain circumstances; amending Minnesota Statutes 1978, Section 48.19, Subdivision 1.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Fritz moved that those not voting be excused from voting. The motion did not prevail.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 72 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Berglin	Halberg	Lehto	Piepho	Swiggum
Biersdorf	Heap	Long	Prahl	Valan
Blatz	Heinitz	Mann	Redalen	Vanasek
Casserly	Hoberg	McCarron	Rees	Voss
Clark	Hokanson	Metzen	Reif	Weaver
Clawson	Jacobs	Munger	Rice	Welch
Corbid	Johnson, C.	Murphy	Rodriguez	Wenzel
Drew	Johnson, D.	Nelsen, M.	Rothenberg	Wieser
Eken	Jude	Novak	Searles	Wigley
Ellingson	Kahn	Nysether	Sieben, H.	Wynia
Evans	Kaley	Olsen	Sieben, M.	Zubay
Ewald	Kalis	Osthoff	Simoneau	Spkr. Norton
Faricy	Knickerbocker	Otis	Stadum	
Forsythe	Kostohryz	Peterson, B.	Stoa	
Friedrich	Laidig	Peterson, D.	Stowell	

Those who voted in the negative were:

Aasness	Carlson, D.	Greenfield	Minne	Schreiber
Adams	Carlson, L.	Haukoos	Moe	Searle
Ainley	Crandall	Jaros	Nelsen, B.	Sherwood
Albrecht	Dean	Jennings	Niehaus	Swanson
Anderson, D.	Dempsey	Kelly	Norman	Thiede
Anderson, G.	Den Ouden	Kroening	Onnen	Tomlinson
Anderson, R.	Elioff	Levi	Patton	Valento
Battaglia	Erickson	Ludeman	Pehler	Waldorf
Begich	Esau	Luknic	Pleasant	Welker
Berkelman	Fjoslien	McDonald	Reding	
Brinkman	Fritz	McEachern	Rose	
Byrne	Fudro	Mehrkens	Sarna	

The bill was repassed, as amended by Conference, and its title agreed to.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1453, A bill for an act relating to retirement; changing the provisions governing and the coverage of various state and local public employee retirement plans; authorizing the payment of severance pay to retiring employees; amending Minnesota Statutes 1978, Sections 352.90; 352.91, Subdivisions 1 and 2, and by adding a subdivision; 352B.08, Subdivision 2; 356.24; 473.417, as amended; and Minnesota Statutes, 1979 Supplement,

Sections 43.051, Subdivision 3; and 465.72; and Laws 1953, Chapter 91, Section 1, Subdivision 7, as amended; Laws 1955, Chapter 151, Sections 1, Subdivision 5, as amended; 3, Subdivision 2; 13, as amended; and 16; and repealing Laws 1959, Chapter 131, Section 25, as amended; and Laws 1969, Chapter 641, Section 5.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2040, A bill for an act relating to privacy; providing for the collection and dissemination of government data; classifying data as private, confidential, nonpublic or public; amending Minnesota Statutes 1978, Sections 15.162, Subdivision 3, and by adding subdivisions; 15.165, Subdivision 3; 600.23, Subdivision 3; and Chapter 15, by adding sections; Minnesota Statutes, 1979 Supplement, Sections 15.162, Subdivision 2a; 15.1621, by adding a subdivision; 15.1642, Subdivisions 1, 5, 5a, and by adding a subdivision; 15.166, Subdivision 4; 15.1691, Subdivision 3; 15.1692, Subdivisions 1 and 2; 15.1693, Subdivision 2; and 15.1698, Subdivision 1, and by adding a subdivision; and Laws 1978, Chapter 790, Section 5, Subdivision 2; repealing Minnesota Statutes, 1979 Supplement, Section 15.1692, Subdivision 4; and 15.1698, Subdivision 2.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 567, A bill for an act relating to privacy of communications; permissible monitoring; amending Minnesota Statutes 1978, Section 626A.02, Subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Carlson, L., moved that the House concur in the Senate amendments to H. F. No. 567 and that the bill be repassed as amended by the Senate. The motion prevailed.

Friedrich was excused from 10:05 p.m. to 10:45 p.m.

H. F. No. 567, A bill for an act relating to privacy of communications; permissible monitoring; amending Minnesota Statutes 1978, Section 626A.02, Subdivision 2.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Knickerbocker moved that those not voting be excused from voting. The motion did not prevail.

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

There were 66 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Esau	Kempe	Otis	Stowell
Battaglia	Faricy	Kostohryz	Patton	Swanson
Begich	Fritz	Kroening	Pehler	Tomlinson
Berglin	Fudro	Lehto	Peterson, D.	Vanasek
Berkelman	Greenfield	Long	Prahl	Voss
Biersdorf	Hokanson	Mann	Reding	Waldorf
Byrne	Jacobs	McCarron	Rees	Welch
Carlson, L.	Jaros	Metzen	Rice	Wenzel
Cassery	Johnson, C.	Minne	Rodriguez	Wynia
Clark	Jude	Moe	Sarna	Spkr. Norton
Clawson	Kahn	Munger	Sieben, H.	
Corbid	Kaley	Murphy	Sieben, M.	
Elioff	Kalis	Novak	Simoneau	
Ellingson	Kelly	Osthoff	Stoa	

Those who voted in the negative were:

Aasness	Dempsey	Hoberg	Niehaus	Searle
Adams	Den Ouden	Jennings	Norman	Searles
Ainley	Drew	Johnson, D.	Nysether	Sherwood
Albrecht	Eken	Knickerbocker	Olsen	Stadum
Anderson, B.	Erickson	Kvam	Onnen	Sviggum
Anderson, D.	Evans	Laidig	Peterson, B.	Thiede
Anderson, G.	Ewald	Levi	Piepho	Valan
Anderson, R.	Fjoslien	Ludeman	Pleasant	Valento
Blatz	Forsythe	Luknic	Redalen	Weaver
Brinkman	Halberg	McDonald	Reif	Welker
Carlson, D.	Haukoos	Mehrkens	Rose	Wieser
Crandall	Heap	Nelsen, B.	Rothenberg	Wigley
Dean	Heinitz	Nelsen, M.	Schreiber	Zubay

The bill, as amended by the Senate, was not repassed.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1931

A bill for an act relating to Ramsey County; simplifying the numbering of the county code; amending Laws 1974, Chapter 435, Articles I to IV, as amended.

April 11, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1931, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1931 be further amended as follows:

Page 52, line 2, before the period insert "*and the judicial district administrator's office*"

Page 57, lines 30 to 33, strike everything after "[RETIEMENT.]" and insert "*Every employee of the county of Ramsey, except an elected official, who is 70 years of age, shall retire from his employment by Ramsey County on the first day of the month after the month in which he becomes 70.*"

Page 58, strike lines 1 to 3

Page 80, strike lines 6 to 33

Strike page 81

Page 82, strike lines 1 to 27

Page 82, line 28, delete "45" and insert "44"

Page 83, line 26, delete "46" and insert "45"

Page 84, line 9, delete "47" and insert "46"

Page 84, line 21, delete "48" and insert "47"

Page 84, line 26, delete "49" and insert "48"

Page 86, line 32, delete "50" and insert "49"

Page 87, lines 27 and 28, delete "45 to 50" and insert "44 to 49"

Page 88, line 18, delete "*This act*" and insert "*Section 1*"

Page 88, after line 20, insert:

"Sec. 3. Minnesota Statutes 1978, Section 245.812, Subdivision 2, is amended to read:

Subd. 2. In determining whether a license shall be issued, the commissioner shall specifically consider the population, size, land use plan, availability of community services and the number and size of existing public and private community residential facilities in the town, municipality or county in which an applicant seeks to operate a residence. (EXCEPT AS SPECIFIED IN SECTION 252.28,) Under no circumstances may the commissioner newly license any group residential facility pursuant to Laws 1976, Chapter 243 if such residential facility will be within 1,320 feet of any existing (COMMUNITY) *group* residential facility unless the appropriate town, municipality or county zoning authority grants the facility a conditional use or special use permit. *With the exception of foster family homes the requirements of this subdivision apply to all licensed residential facilities, and for cities of the first class apply even if a facility is considered a permitted single family residential use of property according to subdivision 3.*

Sec. 4. Minnesota Statutes 1978, Section 252.28, Subdivision 3, is amended to read:

Subd. 3. (1) No new license shall be granted pursuant to this section when the issuance of the license would substantially contribute to an excessive concentration of community residential facilities within any town, municipality or county of the state.

(2) In determining whether a license shall be issued pursuant to this subdivision, the commissioner of public welfare shall specifically consider the population, size, land use plan, availability of community services and the number and size of existing public and private community residential facilities in the town, municipality or county in which a licensee seeks to operate a residence. Under no circumstances may the commissioner newly license any facility pursuant to this section (IF THE FACILITY WILL BE WITHIN 300 FEET OF ANY EXISTING COMMUNITY RESIDENTIAL FACILITY, UNLESS THE APPROPRIATE TOWN, MUNICIPALITY OR COUNTY ZONING

AUTHORITY GRANTS THE FACILITY A CONDITIONAL USE OR SPECIAL USE PERMIT) except as provided in Minnesota Statutes, Section 245.812. The commissioner of public welfare shall establish uniform rules and regulations to implement the provisions of this subdivision.

(3) Licenses for community facilities and services shall be issued pursuant to section 245.821.

Sec. 5. Notwithstanding the provisions of any law, home rule charter, ordinance or resolution to the contrary, no statutory or home rule charter city located in the area defined in Minnesota Statutes, Section 473F.02, Subdivision 2, may require that a person be a resident of the city as a condition of employment by the city except for positions which by their duties require the employee to live on the premises of the person's place of employment. For the purposes of this section, elected municipal officials shall not be considered to be employed by the city. Notwithstanding any contrary law or charter provision, any statutory or home rule charter city located in the area defined in Minnesota Statutes, Section 473F.02, Subdivision 2, may provide that in the selection or promotion of employees employed under a merit or civil service system, a preference not to exceed eight points may be added to the test score of an applicant who resides within the city. No preference shall be provided for any applicant for a position if the primary place of employment for the position at the time the position is to be filled is outside the city limits. For the purposes of this section an employee of a city on January 1, 1979 shall be deemed a resident of the city regardless of his actual place of residence.

Sec. 6. Laws 1953, Chapter 91, Section 1, Subdivision 7, as amended by Laws 1975, Chapter 408, Section 1, is amended to read:

Subd. 7. [DULUTH, CITY OF; POLICE PENSIONS.] "Spouse" means a person who was the legal husband or wife of a member at the time of the member's death, and includes a person who was the legal husband or wife of any pensioner or deferred service pensioner at the time of the member's death who was married to the member at least (A TOTAL OF THREE YEARS) one year prior to the member's retirement from the department.

Sec. 7. [SAINT PAUL, CITY OF; EMPLOYMENT OF UNIVERSITY OR COLLEGE STUDENTS.] *Notwithstanding any contrary provision of the Saint Paul city charter, a statute, including the veterans preference act, or a civil service rule or regulation, the governing body or any board or commission of the city of Saint Paul having authority to hire employees may employ university, college, or professional school students pursuant to an intern or other training program related to their academic endeavors when the program is sponsored or sub-*

stantially financed by the state or the United States or by a philanthropic foundation or organization. Persons hired under a program shall be in the unclassified service of the city and serve at the pleasure of the body employing them. No full time appointment under this section shall exceed one year. Persons employed under this section shall be excluded from the provisions of Minnesota Statutes, Sections 268.03 to 268.24.

Sec. 8. Subdivision 1. If the city of St. Paul issues a building permit in violation of law, charter or ordinance, it may, upon discovery of the error, revoke the permit and require removal of the construction. The city may indemnify the person to whom the permit was issued for costs incurred because of the erroneous issuance.

If construction in the city of St. Paul has been inadvertently entered on land owned by the city or dedicated to a public use and no other legal or equitable remedy is satisfactory to the city, the city may acquire and remove all or part of the structure by eminent domain in accordance with Minnesota Statutes, Chapter 117. A taking of property pursuant to this section is a taking for a public purpose.

Subd. 2. This section is effective retroactively upon approval by the governing body of the city of St. Paul and compliance with Minnesota Statutes, Section 645.021 and expires July 1, 1981.

Sec. 9. Notwithstanding any contrary law or charter provision, commencing with the budget year starting January 1, 1981, and continuing thereafter, the expense of keeping the court house and city hall for the county of Ramsey and city of Saint Paul in normal repair and the necessary expense of heating and maintaining it shall be paid by the county of Ramsey and the city of Saint Paul based upon their respective exclusive usage or occupancy of the building. No later than September 1 of each year the joint court house and city hall committee shall determine the proportionate square foot exclusive usage or occupancy of the building by the county and city respectively and shall submit the determination to the county board and city council together with the recommended annual budget for the next year's expenses.

Sec. 10. Laws 1955, Chapter 151, Section 1, Subdivision 5, as amended by Laws 1963, Chapter 271, Section 2, is amended to read:

Subd. 5. ("WIDOW") "Surviving spouse" means a (WOMAN) person who was the (WIFE) spouse of a member or a pensioner while he or she was an active member, and who, in case the deceased member was a service pensioner, deferred pensioner, or on duty or non-duty disability pensioner, was married to the member at least one year before his or her retirement from the police department; but does not include a surviving (WIFE)

spouse of a member or a pensioner who deserts him or her or a common law (WIFE) *spouse* of a member or a pensioner.

Sec. 11. Laws 1955, Chapter 151, Section 3, Subdivision 2, is amended to read:

Subd. 2. This association shall create, maintain, and administer a policemen's pension fund for the benefit of its members, their (WIDOWS) *surviving spouses*, and their children.

Sec. 12. Laws 1955, Chapter 151, Section 13, as amended by Laws 1963, Chapter 271, Section 7, and Laws 1971, Chapter 549, Section 2 is amended to read:

Sec. 13. The association shall pay a pension to the (WIDOW) *surviving spouse* or any child under 18 years of age of any pensioned and retired member, or to the (WIDOW) *surviving spouse* or any child under 18 years of age of any member who dies while in the service of the city police department, or to the (WIDOW) *surviving spouse* or any child under 18 years of age of any member who, after being a member of the city police department for not less than 20 years, severs his or her connection with the department, and dies before attaining the age of 50 years. The association shall pay to any such (WIDOW) *surviving spouse* a pension of 20 units per month. The association shall pay to any such child under 18 years of age a pension of five units per month until the child attains the age of 18 years, provided, however, that if such child is married at the time of the death of the member or marries or becomes legally adopted after the death of the member, (SUCH) *the* child shall not be entitled to such benefits. If the (WIDOW) *surviving spouse* and children reside together, the pension payable to the children shall be paid to the (WIDOW) *surviving spouse* and shall be used for the support of (SUCH) *the* children. If a (WIDOW) *surviving spouse* remarries, (HER) *the* pension immediately ceases and the association shall not make any further pension payments (TO HER). For the purposes of this section, all provisions governing a child under 18 shall be extended to include a full time student under the age of 23.

Sec. 13. Laws 1955, Chapter 151, Section 16, is amended to read:

Sec. 16. [SURVIVING SPOUSE AND CHILD OF MEMBER CONVICTED OF FELONY.] If a member convicted of a felony is receiving a pension at the time of (HIS) conviction and his (WIFE) or her *surviving spouse* and any (OF HIS) children under 18 years of age had no part in the commission of (SUCH) *the* felony, in the event of the death of (SUCH) *the* member, (SUCH WIDOW) *the surviving spouse* and children may receive (SUCH) *any* pensions as they would otherwise be entitled to receive from the association.

Sec. 14. Laws 1959, Chapter 690, Section 2, as amended by Laws 1963, Chapter 729, Section 1, and Laws 1971, Chapter 599, Section 1 is amended to read:

Sec. 2. [ST. PAUL, CITY OF; INDEPENDENT SCHOOL DISTRICT NO. 625; EMPLOYEES SEVERANCE PAY.] The provisions, rules and regulations under any such ordinance for such payment of severance pay by said city, authorized under the foregoing provisions of section 1 hereof, shall be applicable to all employees of said city other than its elected city officials. Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid over a period not to exceed five years from termination of employment. The amount of such severance pay allowable or to become payable in respect of any such employment or to any such employee (AFTER DECEMBER 31, 1973,) shall not exceed (\$4,000) *an amount equivalent to one year of pay.*

Sec. 15. Laws 1978, Chapter 693, Section 2, is amended to read:

Sec. 2. [EFFECTIVE DATE.] (THIS ACT) *Laws 1978, Chapter 693* is effective (UPON ITS APPROVAL BY THE BOARD OF COMMISSIONER OF WASHINGTON COUNTY AND COMPLIANCE WITH MINNESOTA STATUTES, SECTION 645.021 AND EXPIRES TWO YEARS AFTER THAT DATE) *until April 1, 1981.*

Sec. 16. Minnesota Statutes 1978, Section 550.37, is amended by adding subdivisions to read:

Subd. 21. Rights of action for injuries to the person of the debtor or of a relative whether or not resulting in death.

Subd. 22. The debtor's aggregate interest not to exceed in value \$4,000 in any accrued dividend or interest under or loan value of any unmaturred life insurance contract owned by the debtor under which the insured is the debtor or an individual of whom the debtor is a dependent.

Subd. 23. The debtor's right to receive a payment under a stock bonus, pension, profit sharing, annuity, or similar plan or contract on account of illness, disability, death, age, or length of service to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

Sec. 17. *Section 6 of this act is effective upon the day of compliance by the city of Duluth with Minnesota Statutes, Section 645.021, Subdivision 3. Sections 7, 8, 10, 11, 12, 13, and 14 are effective upon the day of compliance by the city of St. Paul with section 645.021, subdivision 3. Section 15 is effective upon the day of compliance by Washington county with section 645.021,*

subdivision 3. Sections 3, 4, 5, 8, 9, and 16 are effective the day after final enactment."

Further, delete the title and insert:

"A bill for an act relating to local and judicial administration; renumbering the Ramsey county code; regulating zoning of certain facilities; permitting certain conditions on city employment in the metropolitan area; setting conditions for Duluth police setting conditions of employment for certain Washington county employees; fixing exemptions from legal process; amending Minnesota Statutes 1978, Sections 245.812, Subdivision 2; 252.28, Subdivision 3; and 550.37, by adding subdivisions; and Laws 1953, Chapter 91, Section 1, Subdivision 7, as amended; Laws 1955, Chapter 151, Section 1, Subdivision 5, as amended; Section 3, Subdivision 2; Section 13, as amended; and 16; Laws 1959, Chapter 690, Section 2, as amended; and Laws 1978, Chapter 693, Section 2."

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

House Conferees: ANN WYNIA, CONNIE M. LEVI and LEE GREENFIELD.

Senate Conferees: PETER P. STUMPF, JEROME M. HUGHES and NANCY BRATAAS.

Wynia moved that the report of the Conference Committee on H. F. No. 1931 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1931, A bill for an act relating to Ramsey County; simplifying the numbering of the county code; amending Laws 1974, Chapter 435, Articles I to IV, as amended.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 50 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Byrne	Ellingson	Jaros	Levi
Anderson, I.	Casserly	Faricy	Johnson, C.	Long
Anderson, R.	Clark	Forsythe	Kahn	Mann
Berglin	Corbid	Fritz	Kelly	McCarron
Berkelman	Drew	Greenfield	Kostohryz	Minne
Brinkman	Eken	Jacobs	Lehto	Moe

Munger	Otis	Reding	Simoneau	Waldorf
Murphy	Pehler	Rodriguez	Stoa	Wenzel
Novak	Peterson, D.	Schreiber	Tomlinson	Wynia
Osthoff	Prahl	Sieben, H.	Voss	Spkr. Norton

Those who voted in the negative were:

Aasness	Elioff	Kalis	Onnen	Stadum
Adams	Erickson	Kempe	Patton	Stowell
Ainley	Esau	Knickerbocker	Peterson, B.	Swigum
Albrecht	Evans	Kroening	Piepho	Swanson
Anderson, B.	Fjoslien	Laidig	Pleasant	Thiede
Anderson, D.	Fudro	Ludeman	Redalen	Valan
Battaglia	Halberg	Luknic	Rees	Valento
Begich	Haukoos	McDonald	Reif	Weaver
Biersdorf	Heap	McEachern	Rice	Welch
Blatz	Heinitz	Mehrkens	Rose	Welker
Carlson, D.	Hoberg	Metzen	Rothenberg	Wieser
Carlson, L.	Hokanson	Neisen, B.	Sarna	Wigley
Clawson	Jennings	Niehaus	Searle	Zubay
Dean	Johnson, D.	Norman	Searles	
Dempsey	Jude	Nysether	Sherwood	
Den Ouden	Kaley	Olsen	Sieben, M.	

The bill, as amended by Conference, was not repassed.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2476

A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivision 1; 16.854, Subdivision 1; 16A.131, by adding a subdivision; 16A.67, Subdivision 1; 16A.721; 43.005, by adding a subdivision; 43.05, Subdivision 2; 43.062, Subdivisions 1, 2 and 3; 43.065; 43.067, Subdivision 2; 43.068; 43.323, Subdivisions 1 and 2; 43.35; 62D, by adding a subdivision; 82.34; 90.195 94.10, Subdivision 1; 94.16; 121.90; 121.902, Subdivision 1; 121.906, Subdivision 2; 121.908; 121.912, Subdivision 2; 121.914, Subdivision 1; 136.81, Subdivision 1; 145.913, Subdivision 3; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62, Subdivisions 2 and 3; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 246.014; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 403.11, Subdivision 3; 473.408, Subdivision 3; 490.123, Subdivision 1; and Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 121, by adding sections; 216A, by adding a section; 246, by adding a section; 253A, by adding a section; 256, by adding a section; 259, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.3005, Subdivision 4; 15A.083, Subdivision 4;

16A.126; 174.28, Subdivision 2; 43.09, Subdivision 2a; 43.24; 82.81, Subdivision 1; 121.917, Subdivision 4; 354A.12, Subdivision 2; 422A.101, Subdivision 3; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5; 301, Section 3 by adding a subdivision; repealing Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 121.92, Subdivision 1; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.93; 16.965; 121.92, Subdivision 2; and Laws 1979, Chapter 217, Section 11.

April 11, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2476, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2476, be further amended as follows:

Delete 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 "1980" and "1981", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1980, or June 30, 1981, respectively.

SUMMARY BY FUND

	1980	1981	TOTAL
General	\$22,100,700	\$19,923,600	\$42,024,300
Game and Fish	704,500	959,300	1,663,800
TOTAL	\$22,805,200	\$20,882,900	\$43,688,100

APPROPRIATIONS
Available for the Year
Ending June 30

1980 1981

**Sec. 2. CONTINGENT
ACCOUNTS**

(a) Fuel and Utilities \$ 704,500 \$5,000,000

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 8, Subdivision 6. \$704,500 the first year is from the game and fish fund.

(b) Grain Inspection 1,000,000

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 8, Subdivision 7.

Sec. 3. LEGISLATURE

(a) Legislative Reference Library ... 40,900 60,900

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 2, Subdivision 4, for the Legislative Reference Library.

(b) Revisor of Statutes 75,000

This appropriation is available only to match money from the National Historical Publications and Records Commission for the unpublished laws project.

Sec. 4. GOVERNOR

Washington Office 32,000

This appropriation is added to the appropriation for executive operations in Laws 1979, Chapter 333, Section 9.

Sec. 5. SECRETARY OF STATE ... 25,000

Approved Complement — add 1

This appropriation is for the open appointments program.

	1980	1981
	\$	\$

This appropriation is available until June 30, 1981. Funds which were to expire March 30, 1980 are available until June 30, 1980.

Sec. 6. STATE PLANNING AGENCY

The appropriation for population estimates made in Laws 1979, Chapter 303, Article II, Section 37, is available until June 30, 1981.

Sec. 7. ADMINISTRATION

Approved Complement

General — Add 1

(a) Small Business Set Aside	25,000
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This appropriation is contingent on the passage in 1980 of a law expanding the small business and minority set aside.

(b) Surplus Property Revolving Fund

Any unexpended balance of the \$61,500 appropriated in Laws 1979, Chapter 333, Section 18, for the reduction of obligations shall remain available for expenditure as provided in that section through June 30, 1981. If the surplus property revolving fund is abolished prior to June 30, 1981, any portion of the \$61,500 that is outstanding shall be immediately returned to the general fund.

(c) Micrographics Acceleration	100,000
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This sum is appropriated to the commissioner of administration for purposes of establishing a micrographics acceleration account. The commissioner may expend money from this account to promote and initiate new applications of micrographics, to microfilm permanent records stored in the state records center, to microfilm state agency records having perma-

1980

1981

\$

\$

ment value but which have been damaged due to disasters, to microfilm state agency records having permanent value when the agencies cease to exist, and to microfilm state agency records having permanent value when the agencies must move to new quarters or reorganize their space due to new programs and for whom no micro-filming moneys have been appropriated.

A work program shall be presented to the chairman of the house appropriations committee and the chairman of the senate finance committee for review and comment prior to the expenditure of money appropriated by this paragraph.

This appropriation is available until June 30, 1981.

(d) The requirement made in Laws 1978, Chapter 791, Section 2, Clause (q) that all of lot Q shall be made available to the visiting public is deleted.

(e) The appropriation made in Laws 1978, Chapter 791, Section 2, Clause (r) is also available to meter other spaces in the capitol complex and to convert the parking time limits of existing meters in the capitol complex.

(f) County Litigation Expense 150,000

The commissioner of administration shall reimburse any county for up to 50 percent of the legal expenses incurred by it in litigation concerning state and county jurisdiction over Indians, Indian hunting and fishing rights, and other issues relating to Indians.

Sec. 8. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD 28,000

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 19. This appropriation is available until June 30, 1981.

	1980	1981
	\$	\$
Sec. 9. FINANCE		
Approved Complement—Add 3		
(a) Payroll and Personnel Information System	221,300	250,400
(b) Advance Inflation Adjustment ..		959,200

Sec. 10. PERSONNEL

Approved Complement

General—Add 2

(a) Affirmative Action for Veterans ..		6,000
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This appropriation is added to the appropriation for Human Resource Improvement in Laws 1979, Chapter 333, Section 21.

(b) Internship and Summer Youth Work Experience Programs		40,000
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The commissioner of personnel shall evaluate the accomplishments of these programs and present recommendations for their future operation to the legislature by January 1, 1981. Unless extended by the legislature, these programs expire June 30, 1981.

Sec. 11. REVENUE

(a) Railroad Gross Earnings	150,000	
(b) Implement Tax Changes of 1979 ..	92,600	92,600

Sec. 12. AGRICULTURE

Agricultural Research and Promotion ..		125,000
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This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 24 for Development and Protection of Agricultural Resources.

	1980	1981
	\$	\$
Sec. 13. NATURAL RESOURCES		
Approved Complement		
General—Add 9		
Game and Fish—Add 9		
(a) Ditch Assessments	85,000	

This appropriation is added to the appropriation for Administrative Management Services in Laws 1979, Chapter 333, Section 26, to be available until June 30, 1981.

(b) Big Marine Lake Pilot Study	73,500	
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The commissioner of natural resources shall conduct a pilot study project, which could be applied in similar geohydrologic circumstances statewide, to determine the effectiveness of utilizing Little Carnelian Lake as an outlet through infiltration and seepage for surplus waters of Big Marine and Big Carnelian Lakes, Washington County.

(c) All money that has in the past been appropriated to the commissioner of natural resources for forest management purposes from the iron range resources and rehabilitation account will in the future be appropriated from the general fund, if the iron range resources and rehabilitation board funds the iron range information system and the heavy metals release study in the department of natural resources in the amount of \$100,000 for the remainder of this biennium.

(d) Boundary Waters Canoe Area		
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Forestry Intensification		3,000,000
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The money appropriated by Laws 1979, Chapter 333, Section 26, for implementation of the federal Boundary Waters Canoe Area legislation during fiscal year 1981 is increased by this appropriation from the general fund in order to provide a total of \$3,750,000 to qualify for \$3,000,-

	1980	1981
	\$	\$

000 in federal reimbursements on the basis of 80 percent federal, 20 percent state. If by January 1, 1981 the federal program has not been appropriated, the unexpended balance of this appropriation of \$3,750,000 will cancel. Said \$3,750,000 is available for expenditure for the period October 1, 1980 to September 30, 1981, provided that no more than \$250,000 may be expended prior to the appropriation of federal funds. All such federal reimbursements are deposited to the general fund. The existing 26 complement positions approved by the legislative advisory commission on July 31, 1979 are continued in the federal complement.

The money appropriated by Laws 1979, Chapter 333, Section 26 for implementation of the federal Boundary Waters Canoe Area legislation during fiscal year 1980 shall not lapse on June 30, 1980, but shall continue through September 30, 1980.

(e) St. Croix Wild River State Park ..	131,200
(f) Tettegouche State Park	24,000
(g) Inflation Expenses at State Parks	150,000
(h) The appropriations in (e), (f) and (g) are added to the appropriation for Park and Recreation Management in Laws 1979, Chapter 333, Section 26.	
(i) Conservation Officers	445,700

To assist the department in reducing the number of violations and providing a quicker response to public complaints.

\$267,400 of this appropriation is from the game and fish fund and the entire appropriation is added to the appropriation for Enforcement of Natural Resources Laws and Rules in Laws 1979, Chapter 333, Section 26.

(j) Geological Test Drilling	194,000
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	1980	1981
	\$	\$
(k) Soil and Water Conservation Board		25,000

This appropriation is added to the appropriation for the Soil and Water Conservation Board made in Laws 1979, Chapter 333, Section 26.

(l) The amount of the appropriation made in Laws 1979, Chapter 333, Section 26, for the fiscal year 1981 from the general fund is changed from \$33,741,000 to \$33,049,100 and the amount from the game and fish fund is changed from \$16,103,100 to \$16,795,000 to provide 100 percent of regional game and fish administration, 29 percent of field services support, and 60 percent of regional enforcement financing from the game and fish fund. These percentages shall be used in preparing future budget requests.

Sec. 14. MINNESOTA ZOOLOGICAL GARDEN

The appropriation made in Laws 1979, Chapter 333, Section 27, shall stand.

During consideration of the zoological garden's transportation system legislation, the legislature was consistently and unequivocally assured that the only post enactment responsibility of the legislature would be to appropriate the receipts of the transportation system for the purpose of effecting the installment payments of the system. Accordingly, authorization for the acquisition by installment purchase agreement of the transportation system at the Minnesota zoological garden pursuant to Minnesota Statutes, Section 85A.02, Subdivision 16 was made on the understanding that the system would produce revenues sufficient to meet all operating costs and installment payments. This authorization did not constitute a direct or indirect obligation of the state for the acquisition of the system beyond net revenues generated by the system.

1980

\$

1981

\$

This section is intended to make clear to all potential investors in state and local bonds and to financial institutions that the state is not and never has been responsible otherwise for the financing of the zoo ride. The legislature's action regarding appropriations for installment purchase payments for the zoo ride is intended to have no effect on the security of bonds for which the state's full faith credit, and taxing power are pledged, or bonds of the Minnesota housing finance agency secured in the manner provided by Minnesota Statutes, Section 462A.22, Subdivision 8. This section is further intended to forestall any attempt by any person to cause damage to the credit rating of the state in order to force the state to assume an obligation for which it is neither legally nor morally responsible.

Sec. 15. POLLUTION CONTROL

Appropriations made in Laws 1979, Chapter 333, Section 29, for functions relating to the Reserve Mining project and for preparation of environmental impact statements are available for either year of the biennium.

Sec. 16. NATURAL RESOURCES ACCELERATION

(a) In Laws 1979, Chapter 333, Section 31, Subdivision 4, Clause (b), the appropriation condition "through March, 1980" is changed to "through June 30, 1981".

(b) In Laws 1979, Chapter 333, Section 31, Subdivision 3, Clause (l), the approved complement is changed to 6, the reference to paragraphs (g) and (h) is changed to paragraphs (j) and (k) and \$313,000 is changed to \$338,000.

(c) \$75,000 of the unexpended balance of money appropriated by Laws 1975, Chapter 204, Section 55, and reappropriated by Laws 1977, Chapter 455, Sec-

	1980	1981
	\$	\$

tion 28, for construction and repair of dams and channel excavation to manage water levels on Heron Lake in Jackson County is reappropriated and shall remain available until expended for a water management study of Heron Lake in Jackson County, to be conducted by the Middle Des Moines Watershed District and the DNR. Of this money, \$32,500 may be expended for salaries, supplies, and expenses for one additional unclassified position in the department of natural resources.

The money reappropriated above may not be expended until local money in the amount of \$50,000 is made available for the water management study.

The remainder of the appropriation is cancelled.

Sec. 17. BOARD OF ELECTRICITY	200,000	300,000
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This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 33, Subdivision 7.

Sec. 18. ECONOMIC DEVELOPMENT

Approved Complement

General — Add 1

Federal — Subtract 1

(a) Small Business Assistance Center	25,200
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This appropriation is added to the appropriation for Small Business Development in Laws 1979, Chapter 333, Section 38.

(b) Duluth Port Authority	210,500
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This appropriation is added to the appropriation for the same purpose in Laws 1979, Chapter 333, Section 38.

	1980	1981
	\$	\$
(c) Development Resources		40,000

This appropriation is added to the appropriation for Economic Development Assistance in Laws 1979, Chapter 333, Section 38, and is available only to match federal money on the basis of \$1 state for \$3 federal.

Sec. 19. VETERANS AFFAIRS

Approved Complement — Add 8.5

(a) Veterans Home — Minneapolis ..	21,000	126,000
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This appropriation is added to the appropriation for the same purpose in Laws 1979, Chapter 333, Section 40.

(b) In Laws 1979, Chapter 333, Section 40, the appropriation language relative to nondedicated receipts for the veterans home is changed from "\$3,546,000" to "\$3,369,500".

(c) Educational Benefits for Soldiers and their children		15,000
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Sec. 20. PUBLIC SAFETY

(a) State Patrol Overtime During Independent Truckers Protest	343,300	
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(b) \$135,000 of the appropriation by Laws 1979, Chapter 333, Section 41, for the investigation of cross jurisdictional criminal activity for fiscal 1980 shall not cancel and is available for fiscal 1981.

Sec. 21. CRIME CONTROL
PLANNING BOARD

\$486,000 is appropriated to the crime control planning board from the crime control planning board contingency account for Fiscal Year 1981 program levels specified in this section.

	1980	1981
	\$	\$
(a) Planning, Research and Evaluation		284,900
(b) Administration		201,100

The executive director of the crime control planning board, with the approval of the commissioner of finance, may transfer unencumbered balances not specified for a particular purpose between the program levels of administration and criminal justice planning, research, and evaluation. The transfer shall occur only after obtaining advice from the chairmen of the house appropriations committee and the senate finance committee. The advice is advisory only. Failure by the chairmen to provide advice within 15 days is to be considered positive assent.

The complement as specified in Laws 1979, Chapter 333, Section 42, for the crime control planning board stands. For accounting purposes, the crime control planning board may treat these positions as all state funded.

(c) Law Enforcement Assistance	90,000
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This appropriation is for grants for youth intervention programs.

The appropriations in (a), (b), and (c) are added to the appropriations for the same purposes in Laws 1979, Chapter 333, Section 42.

(d) Automated Fingerprint Identification System — Evaluation	30,000
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The board shall evaluate the need for expanding the Minnesota automated fingerprint identification system throughout the state and the adequacy of technology currently available to operate the expanded system. The board shall report to the legislature by January 1, 1981, the results of the evaluation, including a recommendation on

	1980	1981
	\$	\$
expanding the system based upon projected costs and benefits.		
(e) Automated Fingerprint Identification System — Upgrading		169,000
<p>This appropriation is for a grant to the St. Paul police department to upgrade the Minnesota automated fingerprint identification system.</p>		
Sec. 22. COUNCIL ON BLACK MINNESOTANS		40,000
Sec. 23. HOUSING FINANCE AGENCY		
(a) Indian Housing	3,000,000	
<p>This appropriation is for transfer to the housing development fund created in Minnesota Statutes, Section 462A.20.</p> <p>\$2,000,000 is for the American Indian revolving fund created in Minnesota Statutes, Section 462A.21, Subdivision 4c, for distribution in the amount of \$1,830,000 to the Minnesota Chippewa Tribe and \$170,000 to the Sioux Communities.</p> <p>\$1,000,00 is for the urban American Indian revolving fund created in Minnesota Statutes, Section 462A.21, Subdivision 4d.</p>		
(b) Temporary Shelter Residential Housing		100,000
<p>This appropriation is for transfer to the housing development fund, created in section 462A.20, for the purposes of section 462A.05, as amended by this act, and for the payment of necessary and incidental costs and expenses.</p>		
Sec. 24. EDUCATION		
(a) Vocational Student Organization Center		191,200

	1980	1981
	\$	\$
(b) Vocational Curriculum Services ..		455,000

This appropriation is for a consolidation of the two programs formerly known as the Minnesota Instructional Materials Center and the Curriculum Articulation Center.

(c) Vocational Agricultural Coordinators		220,700
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(d) The amounts in (a), (b), and (c) shall be spent pursuant to agreements between the state board of education and the recipients. The agreements are not subject to the contract approval procedures of the commissioner of administration.

Until June 30, 1981, the recipient may charge fees to users of these services designed to cover the cost to the recipient of duplication and distribution, plus ten percent.

Sec. 25. HIGHER EDUCATION COORDINATION BOARD

(a) Scholarship and Grant-in-Aid Data Processing System	230,600
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This appropriation is available until June 30, 1981.

\$160,600 of this appropriation is available after a feasibility study of the system is completed and may be expended only with the approval of the governor after consultation with the legislative advisory commission.

(b) Study of Area Vocational-Technical Institutes	28,000
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In view of future enrollment trends, the higher education coordinating board, in cooperation with the state board for vocational education, shall conduct a study of

	1980	1981
	\$	\$

the area vocational-technical institutes and make recommendations in regard to:

- (1) The mission of the area vocational-technical institutes and their relationship to other systems and institutions;
- (2) The instructional programs and community services to be offered by the area vocational-technical institutes;
- (3) The governance and structure of the area vocational-technical institutes;
- (4) The financing policies and procedures of the area vocational-technical institutes;
- (5) Other appropriate issues as necessary.

The board shall submit its report and recommendations to the legislature by February 1, 1981.

Sec. 26. STATE UNIVERSITY BOARD	175,000
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This appropriation is for a grant to Northern Minnesota Public Television, Incorporated, for the purchase of studio and production equipment and is available until June 30, 1981.

Sec. 27. TRANSPORTATION

(a) Transportation Finance Study Commission	60,000
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(b) Transit Assistance Grants	14,658,000	2,273,100
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\$11,500,000 the first year is for performance funding payments to the metropolitan transit commission for its regular route bus service program.

\$1,850,000 the first year is for a social fare reimbursement grant to the metro-

	1980	1981
	\$	\$

politan transit commission, of which no more than \$25,000 may be used by the commission for administrative expenses.

\$245,300 the first year and \$264,500 the second year is for subsidies to private operators within the metropolitan area.

\$1,062,700 the first year and \$2,008,600 the second year is for public transit subsidy grants outside the Twin Cities metropolitan area.

These appropriations are added to the appropriations for Transit Assistance Grants in Laws 1979, Extra Session Chapter 1, Section 4.

(c) Amtrack Rail Subsidy—Duluth-Twin Cities	475,000
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The appropriations in (a), (b), and (c) above are available until June 30, 1981.

Sec. 28. CORRECTIONS

(a) Minnesota Corrections Board	298,200
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Approved Complement — Add 9.5

(b) Crime Victim Services	39,000
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(c) Notwithstanding the provisions of Minnesota Statutes, Chapter 401, effective January 1, 1981 no county or group of counties participating in the Community Corrections Act shall be charged any per diem cost of confinement for adults sentenced to the commissioner of corrections for crimes committed on or after January 1, 1981.

Sec. 29. PUBLIC WELFARE

(a) Computer Costs	100,000	200,000
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If the appropriation for either year is insufficient, the appropriation for the other year is available, upon the advance approval of the commissioner of finance.

	1980	1981
	\$	\$

The commissioner of public welfare shall continue to operate the state hospital billing and accounts receivable system.

(b) Costs to Move Income Maintenance Bureau	238,000
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This appropriation is available until June 30, 1981.

(c) American Indian Chemical Dependency Program	500,000
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This appropriation is available until June 30, 1981.

(d) Hearing Impaired Program	50,000
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This appropriation is for a grant to Ramsey county for the St. Paul Ramsey mental health center for a statewide program including evaluation, consultation, training, care, and treatment for hearing impaired persons and their families, and training and consultation to staff members and others to increase skills and knowledge. This is a final and non-recurring appropriation.

(e) State Hospital Complement	4,200,000
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This appropriation provides funds to increase the approved state complement of the several state hospitals serving mentally retarded residents by 250 positions. All new positions herein granted shall be to serve the mentally retarded residents and shall be direct patient care positions, including, but not limited to, the classifications of human services technician, recreation aide, social work case aide and dental assistant. No new supervisor positions shall be added as a result of this appropriation. As the number of mentally retarded residents declines, the 1 to 8 staff to resident ratio shall be maintained. "Staff" as used here means the direct care state complement, on duty in the residential units. The authority granted in Laws 1979, Chapter 336, Section 2, Subdivision

	1980	1981
	\$	\$

5 for 120 human services technician positions above the approved complement is changed to 50 positions effective July 1, 1980.

(f) Notwithstanding the provisions of section 256.01, subdivision 2, clause (13), the commissioner of public welfare has the authority to operate the work equity program through December 1981.

(g) Family Subsidy Program	100,000
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This appropriation provides for participation by up to 35 additional families in the mentally retarded family subsidy program.

This appropriation is available until June 30, 1981.

(h) State Adoption Exchange	15,000
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This appropriation provides money to administer a photographic state adoption exchange.

This appropriation is available until June 30, 1981.

(i) Notwithstanding the provisions of Minnesota Statutes, Chapter 256E, a county board may delegate to a county welfare board established pursuant to Chapter 393, authority to provide, or approve contracts for the purchase of, the kinds of community social services that were provided or contracted for by county welfare boards prior to the enactment of Laws 1979, Chapter 324. Designation of the method for providing citizen participation in the planning process, final approval of the community social services plan and the distribution of community social services money shall be the responsibility of the county board.

(j) Services to Brain-Injured Persons	24,000
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1980

1981

\$

\$

The commissioner of public welfare shall contract with an approved vendor to pay the costs of services provided to brain-injured persons. The commissioner shall contract with a neurosurgeon who is independent of the approved vendor to evaluate, initially and on or about March 1, 1981, each person for whom services are provided under this appropriation to ascertain the person's current stage of neurological development and prognosis for improvement. The neurosurgeon shall send a written report of each evaluation to the commissioner. For the purposes of this appropriation, "approved vendor" means the Institutes for the Achievement of Human Potential. The commissioner shall report to the legislature by April 1, 1981 on the implementation of this provision.

Sec. 30. HEALTH

(a) The appropriation in Laws 1978, Chapter 798, Section 28, Subdivision 4, relating to contaminated wells in St. Louis Park, is available until June 30, 1981.

(b) Grants under Laws 1979, Chapter 336, Section 7, for converting hospitals to nursing homes shall also be made to a publicly owned or nonproprietary organization or person if the facility was used as a licensed hospital at any time during the last three years and if it meets all other requirements for a grant.

\$40,000 of the appropriation in Laws 1979, Chapter 336, Section 7 for conversion of hospitals is transferred to the commissioner of public welfare to provide a grant for the establishment of a branch mental health clinic.

(c) Special Grants for Home Based Services for Elderly and Adult Physically Impaired Persons

500,000

This appropriation shall be spent in accordance with this act. None of this ap-

	1980	1981
	\$	\$

propriation may be used by the commissioner of health for administration of these special grants.

(d) THC Therapeutic Research Act . . . 100,000

Not more than \$10,000 of this appropriation may be used by the commissioner for administrative expenses. This appropriation is available until June 30, 1981.

Sec. 31. ECONOMIC SECURITY.

Notwithstanding the provisions of Laws 1979, Chapter 336, Section 3, the sum therein appropriated to the department for matching federal funds for the establishment of comprehensive services for independent living, is hereby made available to the department for the fiscal year beginning July 1, 1980, provided there is assurance of a minimum of 25 percent federal participation in the program. Any unexpended balance remaining in the first year for comprehensive services for independent living shall not cancel, but shall be available for the second year of the biennium. The division of vocational rehabilitation shall submit to the governor and the legislature by January 1, 1981 a report regarding comprehensive services for independent living in Minnesota.

Sec. 32. MINNESOTA HISTORICAL SOCIETY

Analysis of State Records 40,500

This appropriation is added to the appropriation in Laws 1979, Chapter 337, Section 4, Subdivision 1, Paragraph (a).

Sec. 33. BOARD OF THE ARTS 500,000

This appropriation is for a grant to West Central Minnesota Educational Television Company to build or purchase office, studio and transmission facilities and to purchase production, transmission

	1980	1981
	\$	\$

and tower equipment. This appropriation is available only to match a federal grant from the National Telecommunications and Information Administration sufficient to cover 75 percent of total project costs, and the state share is limited to 15 percent of total project costs, but local and private money may cover 10 percent or a greater share of project costs.

This appropriation is available until December 1, 1981.

Sec. 34. [RETIREMENT CONTRIBUTIONS.]

Subdivision 1. EXECUTIVE DIRECTOR OF THE MINNESOTA STATE RETIREMENT SYSTEM

(a) Legislators' and their Surviving Spouses and Dependents, per Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; and 3A.11		1,100,000
(b) Supplemental Benefits for Former State Employees per Section 352.73		65,000
(c) Constitutional Officers, Commissioners, and their Spouses and Dependent Children Benefits, per Section 352C.04, Subdivision 3; and 352C.09, Subdivision 2		85,700
(d) Judges' Retirement State Contributions, per Section 490.123, Subdivision 1		2,110,000

Subd. 2. BOARD OF TRUSTEES OF THE TEACHERS RETIREMENT FUND

(a) State University and Community College Supplemental Retirement, per Section 136.81, Subdivision 1; and Teachers Supplemental Benefits, per Section 354.55, Subdivision 5		1,352,500
(b) Employer Contributions State-wide, per Section 354.43		78,297,000

	1980	1981
	\$	\$
Subd. 3. COMMISSIONER OF FINANCE		
(a) Employer Contributions Duluth Teachers Retirement Fund Association, per Section 354A.12, Subdivision 2		1,337,000
(b) Employer Contributions Minneapolis Teachers Retirement Fund Association, per Section 354A.12, Subdivision 2 ..		8,878,925
(c) Employer Contributions St. Paul Teachers Retirement Fund Association, per Section 354A.12, Subdivision 2		6,600,000
(d) Municipal Employees Retirement Fund per Minnesota Statutes, Section 422A.101, Subdivision 3		4,500,000

Subd. 4. COMMISSIONER OF PERSONNEL

Social Security Contributions for Educational Employees of Political Subdivisions, per Section 355.46	65,101,000
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Subd. 5. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Supplemental Benefits per Section 353.83	61,400
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Sec. 35. Minnesota Statutes, 1979 Supplement, Section 3.3005, Subdivision 4, is amended to read:

Subd. 4. If federal money becomes available to the state for expenditure while the legislature is not in session, and the availability of money from that source or for that purpose or in that fiscal year could not reasonably have been anticipated and included in the governor's budget request, and an urgency requires that all or a portion of the money be allotted before the legislature reconvenes, *all or a portion of* the (AMOUNT OF) money (SUBJECT TO THE URGENCY) may be allotted to a state agency after it has submitted to the legislative advisory commission a request in the manner of a budget request and has received the commission's recommendation on it. Failure or refusal of the commission to make a recommendation within 30 days is deemed a negative recommendation.

Sec. 36. [FEDERAL MONEY REQUESTS, 1980 SESSION.] *Requests to spend federal money or to add federal complement submitted to the 1980 session of the legislature that were previously submitted to the legislative advisory commission are approved. Those not previously submitted to the legislative advisory commission are referred to the legislative advisory commission for review at its next meeting.*

Sec. 37. Minnesota Statutes 1978, Section 3A.03, Subdivision 2, is amended to read:

Subd. 2. [REFUNDMENT.] (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a member of the legislature and has less than eight years service as a member of the legislature and is not receiving, has not received, or is not entitled to receive any allowance or benefit under sections 3A.01 to 3A.10 is entitled to receive upon application to the director a refundment of all contributions credited to his account without interest thereon. (THE MONEYS REQUIRED FOR SUCH REFUNDMENTS ARE APPROPRIATED ANNUALLY TO THE DIRECTOR FROM THE GENERAL FUND IN THE STATE TREASURY.)

(2) The refundment of contributions as provided in clause (1) above terminates all rights of a former member of the legislature or his survivors under sections 3A.01 to 3A.10. Should the former member of the legislature again be a member of the legislature after having taken a refundment as provided above, he shall be considered a new member. However, such new member may reinstate the rights and credit for service forfeited, provided the new member repays all refundments taken plus interest thereon at six percent per annum compounded annually.

(3) No person shall be required to apply for or accept a refundment.

Sec. 38. Minnesota Statutes 1978, Section 3A.04, Subdivision 3, is amended to read:

Subd. 3. [PAYMENT.] The surviving spouse's and dependent children's survivor benefits payable under this section (ARE APPROPRIATED ANNUALLY TO THE DIRECTOR FROM THE GENERAL FUND IN THE STATE TREASURY, AND) shall be paid by (HIM) the director monthly in the same manner as retirement allowances are authorized to be paid by sections 3A.01 to 3A.10.

Sec. 39. Minnesota Statutes 1978, Section 3A.04, Subdivision 4, is amended to read:

Subd. 4. [REFUNDS TO ESTATE.] Upon the death of a member of the legislature without a surviving spouse and without any dependents, a refundment of contributions of such de-

ceased member of the legislature shall be paid to the estate of the member upon application of the representative thereof. (SUCH MONEYS AS MAY BE NECESSARY TO CARRY OUT THE TERMS OF THIS PROVISION ARE APPROPRIATED ANNUALLY TO THE DIRECTOR FROM THE GENERAL FUND IN THE STATE TREASURY.)

This subdivision is applicable to an application for refundment covering contributions of a deceased member, regardless of when his death occurred.

Sec. 40. Minnesota Statutes 1978, Section 10A.01, Subdivision 10c, is amended 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 *60 days after* 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. 41. Minnesota Statutes 1978, Section 11.15, Subdivision 4, is amended to read:

Subd. 4. (ALL INTEREST AND PROFIT ACCRUING FROM ANY INVESTMENT OF THE STATE BOND FUND

SHALL BE CREDITED TO AND BE A PART OF THE STATE BOND FUND, AND ALL LOSS FROM THE SALE THEREOF AND ALL NECESSARY EXPENSES OF INVESTMENT AND REINVESTMENT SHALL BE CHARGED TO THAT FUND.) *Notwithstanding any other law to the contrary and unless otherwise required by covenants made for the security of bonds outstanding on the date of enactment and payable from the state bond fund, all interest and profit accruing after January 1, 1980, from any investment of the state bond fund is appropriated and shall be credited to and be a part of the general fund. All necessary expenses of investment and reinvestment of the state bond fund shall be charged to the state bond fund.*

Sec. 42. Minnesota Statutes 1978, Section 15.0597, Subdivision 3, is amended to read:

Subd. 3. [PUBLICATION OF AGENCY DATA.] The secretary of state shall provide for (PERIODIC) *annual* updating of the required data and shall annually arrange for the publication in the state register of the compiled data from all agencies on or about November 15 of each year. (BEGINNING IN 1979, THE COMPILATION MAY BE PUBLISHED TOGETHER WITH THE AGENCY DESCRIPTIONS REQUIRED BY SECTION 15.0412, SUBDIVISION 2.) Copies of the compilation shall be delivered to the governor and the legislature. Copies of the compilation shall be made available by the secretary to any interested person at cost, and copies shall be available for viewing by interested persons (AND FOR SALE). The chairman of an agency who does not submit data required by this section (OR SECTION 15.0412, SUBDIVISION 2,) or who does not notify the secretary of a vacancy in his agency, shall not be eligible for a per diem or expenses in connection with agency service until December 1 of the following year.

Sec. 43. Minnesota Statutes 1978, Section 15.0597, Subdivision 4, is amended to read:

Subd. 4. [NOTICE OF VACANCIES.] The chairman of an *existing* agency, (IN RESPECT TO VACANCIES IN EXISTING AGENCIES, OR THE APPOINTING AUTHORITY, IN RESPECT TO NEWLY CREATED AGENCY POSITIONS,) shall notify the secretary of a vacancy (WITHIN 15 DAYS AFTER THE OCCURRENCE OF THE VACANCY. EVERY 15 DAYS THE SECRETARY SHALL PREPARE A LIST OF ALL VACANCIES IN STATE AGENCIES, TOGETHER WITH A LIST OF THE VACANCIES SCHEDULED TO OCCUR WITHIN THE NEXT 45 DAYS AS A RESULT OF THE EXPIRATION OF MEMBERSHIP TERMS OR THE CREATION OF NEW AGENCY POSITIONS. THIS LISTING SHALL BE PUBLISHED IN THE NEXT AVAILABLE ISSUE OF THE STATE REGISTER, AND) *scheduled to occur in the agency as a result of the expiration of membership terms at least 45 days before the vacancy occurs. The chairman of an*

existing agency shall give written notification to the secretary of each vacancy occurring as a result of newly created agency positions and of every other vacancy occurring for any reason other than the expiration of membership terms as soon as possible upon learning of the vacancy and in any case within 15 days after the occurrence of the vacancy. The appointing authority for newly created agencies shall give written notification to the secretary of all vacancies in the new agency within 15 days after the creation of the agency. Every 21 days, the secretary shall publish in the state register a list of all vacancies of which the secretary has been so notified. Only one notice of a vacancy shall be so published, unless the appointing authority rejects all applicants and requests the secretary to republish the notice of vacancy. One copy of the listing shall be made available at the office of the secretary to any interested person. The secretary shall distribute by mail copies of the listings to requesting persons. The listing for all vacancies scheduled to occur in the month of January shall be published in the state register together with the compilation of agency data required to be published pursuant to subdivision 3.

Sec. 44. Minnesota Statutes 1978, Section 15.0597, Subdivision 5, is amended to read:

Subd. 5. [NOMINATIONS FOR VACANCIES.] Any person may nominate himself to be appointed to an agency vacancy by completing an application on a form prepared and distributed by the secretary. Any person or group of persons may, on (A SIMILAR) *the prescribed* application form, nominate another person to be appointed to a vacancy so long as the person so nominated consents in writing on the application form to the nomination. The application form shall specify the nominee's name, mailing address, telephone number, preferred agency position sought, a statement that the nominee satisfies any legally prescribed qualifications, and any other information the nominating person feels would be helpful to the appointing authority. The application form shall permit the nominating person at his discretion to indicate the nominee's sex, political party preference or lack thereof, race and national origin. If a person submits an application at (THE BEHEST OF OR UPON) the suggestion of an appointing authority, the person shall so indicate on the application form. (THE SECRETARY SHALL, UPON 15) *Twenty-one* days after publication of a vacancy in the state register (OR UPON 15 DAYS PRIOR TO A SCHEDULED VACANCY, WHICHEVER DATE OCCURS FIRST,) *pursuant to subdivision 4, the secretary shall* submit copies of all applications received for a position to the appointing authority charged with filling the vacancy. If no applications have been received by the secretary for the vacant position by the date he is required to submit copies to the appointing authority, he shall so inform the appointing authority. Applications received by the secretary shall be deemed to have expired one year after receipt of the application (OR UPON APPOINT-

MENT AND, IF REQUIRED, ADVICE AND CONSENT BY THE SENATE TO A VACANCY, WHICHEVER OCCURS FIRST). An application for a particular agency position shall be deemed to be an application for all vacancies in that agency occurring prior to the expiration of the application *and shall be public information.*

Sec. 45. Minnesota Statutes 1978, Section 15.0597, Subdivision 6, is amended to read:

Subd. 6. [APPOINTMENTS.] In making an appointment to a vacant agency position, the appointing authority shall consider applications for positions in that agency supplied by the secretary. No appointing authority may appoint someone to a vacant agency position until (1) ten days after receipt of the applications for positions in that agency from the secretary or (2) receipt of notice from the secretary that no applications have been received for vacant positions in that agency. *At least five days before the date of appointment,* the appointing authority shall issue a public announcement and inform the secretary *in writing* of the name of the person the appointing authority intends to appoint to fill the agency vacancy (AT LEAST FIVE DAYS BEFORE THE DATE OF APPOINTMENT) *and the expiration date of that person's term.* If the appointing authority intends to appoint a person other than one for whom an application was submitted pursuant to this section, the appointing authority shall complete an application form on behalf of the appointee and submit it to the secretary *indicating on the application that it is submitted by the appointing authority.* If the appointment requires the advice and consent of the senate, the secretary shall, prior to consideration by the senate of the appointment, supply the president of the senate with a copy of the application, together with a copy of any documents which the appointee is required by virtue of his appointment to submit to the ethical practices board. With respect to the ethical practices board, the secretary shall also submit a copy of the application and documents to the speaker of the house of representatives prior to consideration of the appointment by the house of representatives.

Sec. 46. Minnesota Statutes 1978, Section 15.0597, Subdivision 7, is amended to read:

Subd. 7. [REPORT.] Together with the compilation required in subdivision 3, the secretary shall annually deliver to the governor and the legislature a report containing the following information:

(a) *The number of vacancies occurring in the preceding year;*

(b) *The number of vacancies occurring as a result of scheduled ends of terms, unscheduled vacancies and the creation of new positions;*

(c) Breakdowns by county, legislative district and, if known, the sex, political party preference or lack thereof, race and national origin, for members whose agency membership terminated during the year and appointees to the vacant positions; and

(d) The number of vacancies filled from applications submitted by (1) the appointing authorities for the positions filled, (2) nominating persons and self-nominees who submitted applications at (THE BEHEST OF OR UPON) the suggestion of appointing authorities, and (3) all others.

Sec. 47. Minnesota Statutes 1978, Section 15.50, Subdivision 1, is amended to read:

15.50 [CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD.] Subdivision 1. (a) The legislature finds that the purposes of the board are to (1) preserve *and enhance* the dignity, beauty and architectural integrity of the capitol, the buildings immediately adjacent to it (AND), the capitol grounds, *and the capitol area*; (2) protect, enhance, and increase the open spaces within the capitol area when deemed necessary and desirable for the improvement of the public enjoyment thereof; (3) develop proper approaches to the capitol area for pedestrian movement, the highway system, and mass transit system so that the area achieves its maximum importance and accessibility; and (4) establish a flexible framework for growth of the capitol buildings which will be in keeping with the spirit of the original design.

(b) (A) *The capitol area architectural and planning board, herein referred to as the board, (CONSISTING) consists of (SEVEN) ten members (IS HEREBY CREATED). The lieutenant governor shall be a member of the board. Three members shall be appointed by the governor by and with the advice and consent of the senate; three members, one of whom shall be a resident of the district planning council area containing the capitol area, shall be appointed by the mayor of the city of Saint Paul, with the advice and consent of the city council. The speaker of the house shall appoint a member of the house of representatives and the president of the senate shall appoint one senator to be members of the board. Each person appointed to the board shall qualify by taking the oath of office. (EFFECTIVE FOLLOWING THE END OF TERMS OF MEMBERS EXPIRING JUNE 30, 1975, THE NUMBER OF MEMBERS TO BE APPOINTED BY THE GOVERNOR SHALL INCREASE TO FOUR AND THE NUMBER OF MEMBERS TO BE APPOINTED BY THE MAYOR OF THE CITY OF SAINT PAUL SHALL DECREASE TO TWO.)*

(c) The lieutenant governor is the chairman of the board. The attorney general is the legal advisor to the board. The board may elect a vice-chairman who may preside at meetings in the

absence of the lieutenant governor and such other officers as it may deem necessary to carry out its duties.

(d) The board shall select an executive secretary to serve the board. It may employ such other officers and employees as it may deem necessary all of whom shall be in the classified service of the state civil service. The board may contract for professional and other similar service on such terms as it may deem desirable.

Sec. 48. Minnesota Statutes 1978, Section 15.50, Subdivision 2, is amended to read:

Subd. 2. (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, herein called the area which shall initially consist of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street to the north line of the right-of-way of Interstate Highway 94, thence easterly along the said north line to the centerline of Cedar Avenue, thence southeasterly along the centerline of Cedar Avenue to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. Pursuant to the comprehensive plan, or any portion thereof, the board may regulate, by means of zoning regulations adopted pursuant to the administrative (PROCEDURES) procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. *To protect and enhance the dignity, beauty and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty and architectural integrity of the area. No person shall undertake these construction activities as defined in the board's rules in the capitol area unless he has first submitted construction plans to the board, obtained a zoning permit from the board and received a written certification from the board specifying that he has complied with all design review procedures and standards.* (THE) Violation of (SUCH) the zoning regulations (SHALL BE) is a misdemeanor. The board may, at its option, proceed to abate any (SUCH) violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area

adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. He shall make studies and report the results to the board when they request him to do so for their planning purpose.

(c) No public building, street, parking lot, or monument, or other construction shall be built or altered on any public lands within the area unless the plans for the same conforms to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan shall show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement shall be made to public lands or buildings in the area save with the written approval of the board.

(e) The board shall secure by competitions, plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition, which may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. Such competition shall be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected shall become the property of the state of Minnesota and the board may award one or more premiums in each such competition and may pay such costs and fees as may be required for the conduct thereof. At the option of the board, plans for projects estimated to cost less than (\$500,000) \$1,000,000 may be approved without competition provided such plans have been considered by the (ARCHITECTURAL) advisory committee described in clause (f). Plans for projects estimated to cost less than (\$200,000) \$400,000 and for construction of streets need not be considered by the (ARCHITECTURAL) advisory committee if in conformity with the comprehensive plan.

(f) The board shall not adopt any plan under clause (e) (HEREOF) unless it (SHALL) first (RECEIVE) *receives* the comments and criticism of (A) *an advisory* committee of three (ARCHITECTS) *persons, each of whom is either an architect or a planner*, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by Minnesota Society of the American Institute of Architects. Members of (SUCH) *the* committee shall not be contestants under clause (e) (HEREOF). (SUCH) *The* comments and criticism shall be a matter of public information. (SUCH) *The* committee shall advise the board on all architectural and planning matters. For that purpose:

(1) (SUCH) *The* committee shall be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the same are developed or in the process of preparation whether by the commissioner of administration, the state planning director, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area. A copy of any such data prepared by any public employee or organization shall be filed with the board promptly upon completion;

(2) The board may employ such stenographic or technical help as may be reasonable to assist (SUCH) *the* committee to perform its duties;

(3) When so directed by the board (; SUCH), *the* committee may serve as, and any member or members thereof may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee *and*

(4) *The city of St. Paul shall advise the board.*

(g) The comprehensive plan for the area shall be developed and maintained in close cooperation with the state planning agency and the planning department and the council for the city of Saint Paul and the board of the arts, and no such plan or amendment thereof shall be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts.

(h) The board and the commissioner of administration jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance and cleanliness of the public and ceremonial areas of the state capitol building. Pursuant to this power, the board shall consult with the director of the Minnesota state historical society and receive his advice regarding the historic fidelity of plans for the capitol building. The standards and policies de-

veloped as herein provided shall be binding upon the commissioner of administration. The provisions of sections 15.0411 to 15.0426 shall not apply to this clause.

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for (SUCH A) *the* program.

(j) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase or eminent domain proceedings any real property situated in the area described in this section and it shall also have the power to acquire an interest less than a fee simple interest in the property, if it finds that it is needed for future expansion or beautification of the area.

(k) The board is the successor of the state veterans' service building commission, and as such may adopt regulations and may reenact the regulations adopted by its predecessor under Laws 1945, Chapter 315, and acts amendatory thereof.

(l) The board shall meet at the call of the chairman and at such other times as it may prescribe.

(m) The commissioner of administration (IS AUTHORIZED TO AND) shall assign quarters in the state veterans service building to (1) the department of veterans affairs of which such part as the commissioner of administration and commissioner of veterans affairs may mutually determine shall be on the first floor above the ground and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, Veterans of World War I and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available to such other state departments and agencies as he may deem desirable.

Sec. 49. Minnesota Statutes, 1979 Supplement, Section 15A.083, Subdivision 4, is amended to read:

Subd. 4. [RANGES FOR OTHER JUDICIAL POSITIONS.] Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of any position for which a salary range has been provided shall fix the individual salary within the prescribed range, considering the qualifications and overall performance of the employee. Appointments to fill vacancies shall not be made above the midpoint of the salary range prescribed for the position unless the (PERSONNEL BOARD) *state court administrator* has

been consulted in advance and (ITS) *his* approval obtained. Any salary increase that would adjust an employee's rate of pay beyond the midpoint of the range prescribed for the position must be approved in advance by the (PERSONNEL BOARD) *state court administrator*.

	Salary or Range	
	Effective July 1, 1979	Effective July 1, 1980
Public defender	\$37,500	\$40,000
District administrator	27,000-37,500	28,500-40,000
County Attorneys council executive director	22,000-32,000	23,500-34,000
Board on judicial standards executive director	36,000	38,000
State court administrator	44,500	47,000

Sec. 50. Minnesota Statutes 1978, Section 16.02, Subdivision 10, is amended to read:

Subd. 10. To rent land and other premises when necessary for state purposes. (NO SUCH LAND OR PREMISES SHALL BE RENTED FOR A TERM EXCEEDING TWO YEARS AT A TIME; EXCEPT THAT, WITH THE APPROVAL OF THE LEGISLATIVE ADVISORY COMMISSION,) The commissioner may lease land or premises for a term not exceeding five years, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use; provided further that the rental of non-state owned land and buildings, or substantial portions thereof, by the commissioner within the capitol area as defined in section 15.50 shall not take place unless the commissioner first consults with the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for a term not exceeding five years (WITHOUT THE APPROVAL OF THE LEGISLATIVE ADVISORY COMMISSION), such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

Sec. 51. Minnesota Statutes 1978, Chapter 16, is amended by adding a section to read:

[16.095] [CONTRACTS-VENDORS RECORDS SUBJECT TO EXAMINATION.] *A contract made by or under the supervision of the commissioner of administration, any state department or agency, or any county or unit of local government shall include an audit clause that provides that the books, records, documents, and accounting procedures and practices of the contractor relevant to the contract are subject to examination by the contracting department or agency, and either the legislative auditor or the state auditor as appropriate.*

Sec. 52. Minnesota Statutes 1978, Chapter 16, is amended by adding a section to read:

[16.955] [COMPUTER ACTIVITIES; EVALUATION; APPROVAL; SYSTEM DEVELOPMENT METHODOLOGY.] *Subdivision 1. [DEFINITIONS.] For the purposes of this section the following terms have the meaning given them.*

(a) "Computer activity" means the development or acquisition of a data processing device or system.

(b) "Data processing device or system" means any equipment or computer programs, including but not limited to computer hardware, firmware, software, and communication protocol, used 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.

(c) "State agency" means any state officer, employee, board, commission, authority, department or other agency of the executive branch of state government, but not including the University of Minnesota.

Subd. 2. [EVALUATION PROCEDURE.] *By January 1, 1981, the commissioner of administration shall establish and, as necessary, update and modify procedures to evaluate computer activities proposed by state agencies. The procedures shall evaluate the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility, of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with alternative solutions.*

Subd. 3. [EVALUATION AND APPROVAL REQUIREMENTS.] *A state agency shall not undertake a computer activity until the activity has been evaluated according to the procedures developed pursuant to subdivision 2 and the commissioners of administration and finance have given written approval of the proposed activity. If a proposed computer activity is not approved, the commissioner of finance shall cancel the*

unencumbered balance of any appropriation allotted from the activity. The commissioners of administration and finance may delegate their respective approval powers regarding computer activities to the head of another agency including the agency seeking approval where delegation is deemed appropriate.

Subd. 4. [REPORT TO LEGISLATURE.] If a proposed computer activity is approved, the commissioners of administration and finance shall submit to the legislature a concise narrative explanation of the computer activity and a request for any additional appropriation necessary to complete the activity.

Subd. 5. [SYSTEM DEVELOPMENT METHODOLOGY.] By January 1, 1981, the commissioner of administration shall establish and, as necessary, update and modify a methodology for the development of approved data processing systems by state agencies. The development methodology shall be used to define the design, programming, and implementation of approved data processing systems. The development methodology shall also enable and require a data processing system to be defined in terms of its computer programs, input requirements, output formats, administrative procedures, and processing frequencies.

Subd. 6. [SYSTEM DEVELOPMENT METHODOLOGY REQUIREMENTS.] A state agency shall not develop, improve or modify of a data processing system using any methodology other than that established by the commissioner of administration.

Sec. 53. Minnesota Statutes 1978, Section 16.854, Subdivision 1, is amended to read:

16.854 [STATE BUILDING INSPECTOR.] Subdivision 1. [APPOINTMENT.] (AS SOON AFTER JULY 1, 1971, AS IS POSSIBLE) The commissioner shall appoint a state building inspector who under the direction and supervision of the commissioner shall administer the code. (THE STATE BUILDING INSPECTOR SHALL SERVE AT THE PLEASURE OF THE COMMISSIONER WITHIN THE DEPARTMENT OF ADMINISTRATION AND SHALL BE IN THE UNCLASSIFIED SERVICE OF THE STATE.)

Sec. 54. Minnesota Statutes 1978, Chapter 16A, is amended by adding a section to read:

[16A.065] [ADVANCE PAYMENTS AND DEPOSITS.] *Notwithstanding any other law to the contrary, the commissioner of finance may allow advance deposits or payments by any department for the procurement of software or software maintenance services for state-owned or leased electronic data processing equipment.*

Sec. 55. Minnesota Statutes, 1979 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 money so transferred for the purchase of equipment shall be repaid to the general fund in installments over its useful life on a schedule established by the commissioner of finance. Other moneys so transferred shall be repaid to the general fund on a schedule established by the commissioner of finance but within a period not to exceed five years.*

Sec. 56. Minnesota Statutes 1978, Section 16A.131, is amended to read:

16A.131 [SALARY DEDUCTIONS, AUTHORIZATION.] *Subdivision 1.* Every officer and employee of the state may purchase and pay for bonds, stamps, and other securities issued by the federal government by directing in writing to the appropriate officer of the department where he is employed that deductions of the amount specified by him be made from his salary. The head of each department of the state is hereby required to cause such deduction to be made from the salary of each said persons on every payroll abstract and to approve one voucher payable to the state treasurer for the aggregate amount so deducted from the salaries covered by said payroll abstract, provided that deductions from salaries of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries, and remitted by him to the director by check payable to the state treasurer with a statement showing the amount of each of such deductions and the names of the officers and employees on whose account the same have been made. The money so deposited with the state treasurer shall be paid out on authorization of the governor by state warrant payable to the proper federal authority or to the officer or employee from whose salary the money was deducted, as the case may require.

Subd. 2. *The commissioner of finance, with the written consent of a state employee, may deduct from the salary of the employee a sum agreed to by the employee for the purchase of mass transit ridership cards. The commissioner of finance shall deposit all money resulting from these payroll deductions in the special account authorized by section 16.72, subdivision 7.*

Sec. 57. Minnesota Statutes 1978, Chapter 16A, is amended by adding a section to read:

[16A.19] [RETIREMENT APPROPRIATIONS; DEFICIENCIES.] *In the event that a direct appropriation for retirement contributions, benefits, or administrative expenses, or for social security contributions pursuant to section 355.46, is insufficient to meet the state's obligation under the program for which it is made for the fiscal year for which it is made, the agency to whom the appropriation was made shall certify to the committee on finance of the senate, the committee on appropriations of the house of representatives, and the commissioner of finance the amount necessary to meet the deficiency. Upon this certification, the commissioner of finance shall transfer the necessary amounts to the appropriate accounts. The amount necessary to make the transfer is appropriated from the general fund in the state treasury to the agency to whom the transfer is made.*

Sec. 58. Minnesota Statutes 1978, Section 16A.67, Subdivision 1, is amended to read:

16A.67 [CERTIFICATES OF INDEBTEDNESS.] Subdivision 1. For the purpose of supplying deficiencies in the general fund certificates of indebtedness of the state may be issued in accordance with the provisions of Article II, Section 6, of the Constitution and the further provisions of this section. No such deficiency is deemed to exist by reason of the fact that expenditures pursuant to appropriation and allotment for a particular purpose may at any time exceed the cash receipts from any source of special revenue appropriated to the fund for such purpose, notwithstanding that a "fund" may have been created by law for such purpose and may have been established by the commissioner of finance as a bookkeeping account in the general books of account of the state for the purpose of reflecting the revenues deposited and expenditures appropriated for such purpose in accordance with the provisions of section 16A.53. A deficiency shall be deemed to exist only when the total amount of outstanding warrants drawn on (SUCH) *the general fund*, pursuant to appropriation and allotment for all purposes and accounts of the fund, exceeds the cash balance in the fund. In this event a deficiency shall be deemed to exist in the general fund, notwithstanding that there may then be a balance of cash or investments on hand in one or more special or dedicated funds created by the Constitution or required to be created and maintained as separate funds by federal law or by rules or regulations promulgated by federal authority pursuant thereto; and this section does not authorize a transfer of money from any of *those* special or dedicated (FUND) *funds* to the general fund, except by the issuance and sale of certificates of indebtedness as herein provided.

Sec. 59. Minnesota Statutes 1978, Section 16A.721, is amended to read:

16A.721 [FEES FROM SEMINARS AND WORKSHOPS.] The commissioner of finance may adopt rules for charging fees for seminars and workshops conducted by state agencies. The commissioner may establish an account for deposit of seminar and workshop fee receipts generated, which are appropriated for payment of expenses relating to the workshops and seminars. The commissioner shall not allow the unobligated balance of this account to exceed \$10,000. (THIS PROVISION APPLIES TO FISCAL YEAR 1979.)

Sec. 60. [PERSONNEL BOARD ABOLISHED; TRANSITION.] *The personnel board is abolished. Its duties and functions are transferred as provided for in this act. All employees of the board shall be reassigned to the department of personnel without loss of seniority, salary, benefits or other rights.*

Sec. 61. Minnesota Statutes 1978, Section 43.05, Subdivision 2, is amended to read:

Subd. 2. [SPECIFIED DUTIES.] The commissioner shall:

((1) ATTEND ALL MEETINGS OF THE BOARD;)

((2)) (1) Promulgate personnel rules for the purpose of carrying out the provisions of this chapter; these rules shall provide, among other things, for current records of efficiency, and standards of performance, for all employees subject to the provisions of this chapter; the manner of completing appointments and promotions; rejection of eligible candidates; examinations; retention of examination records under the provisions of section 138.163; creation of eligible lists, with successful candidates ranked according to their ratings in the examinations; leaves of absence with and without pay; transfers, reinstatements, layoffs, vacations, and hours of work; public notice of examinations; procedure for changes in rates of pay; compulsory retirement at fixed ages; and other conditions of employment. If a rule is made concerning sick leave for illness in the immediate family of an employee, the term "immediate family" shall be limited to the spouse, minor or dependent children, or parent where the parent has no other person to provide the necessary nursing care, living in the household of the employee;

((3)) (2) Operate an information system from which data can be retrieved concerning employees in agencies under his jurisdiction showing their employment histories including the date of appointment, demotion, reinstatement, increases or decreases in pay, the compensation and title of the position, changes in title, transfers, and separations from the service; and the commissioner shall have access to all public and private per-

sonnel data kept by an appointing authority, the examination of which will aid in the discharge of his duties;

((4)) (3) Prepare, in accordance with the provisions of this chapter and the rules adopted hereunder, examinations, eligible lists, and ratings of candidates for appointment;

((5)) (4) Make certifications for appointment within the classified service, in accordance with the provisions of this chapter;

((6)) (5) Make investigations concerning all matters touching the enforcement and effect of the provisions of this chapter and the personnel rules prescribed hereunder;

((7)) (6) Discharge such duties as are imposed upon him by this chapter;

((8)) (7) Establish, publish and continually review logical career paths in the classified civil service;

((9)) (8) Consider all requests for other than state appropriated funds from any state department or agency for personnel purposes all of which shall be submitted to him for comment before any such request is made of a federal, local, or private agency; and

((10)) (9) Prepare rules regulating the temporary designation of positions in the unclassified civil service;

((11)) (10) Review, establish or change titles for the positions in the unclassified civil service in the executive branch of state government except those established by law or by the constitution, to make titles descriptive of positions and consistent throughout the state service; and

((12)) (11) In conformance with the rule making provisions of chapter 15, promulgate a code of ethics establishing standards of conduct to be observed by state employees in the performance of their official duties.

Sec. 62. Minnesota Statutes 1978, Section 43.062, Subdivision 1, is amended to read:

43.062 [SALARY SETTING AUTHORITY.] Subdivision 1. [SALARY LISTING.] The (PERSONNEL BOARD) *governor* shall, on or before (NOVEMBER 15) *January 15* of each (EVEN) *odd* numbered year, submit to the (COMMISSIONER OF PERSONNEL) *legislature* a listing of salaries for the positions listed in sections 15A.081 and 15A.083 (AND FOR MEMBERS OF THE LEGISLATURE). The (BOARD) *governor*

may also recommend adding or deleting of positions from this list.

Sec. 63. Minnesota Statutes 1978, Section 43.062, Subdivision 2, is amended to read:

Subd. 2. [COMMITTEE TO CONSIDER ADVICE.] Before submitting the salary listing prescribed in subdivision 1 (TO THE COMMISSIONER OF PERSONNEL), the (PERSONNEL BOARD) *governor* shall consult with (THE GOVERNOR,) the commissioner of administration, the commissioner of finance, and the commissioner of personnel concerning the salary listing and shall give due consideration to the advice of these officers. Before submitting (TO THE COMMISSIONER OF PERSONNEL) a salary listing prescribed in subdivision 1 for an employee in the office of a constitutional officer, the (PERSONNEL BOARD) *governor* shall consult with the constitutional officer concerning the salary listing and shall give due consideration to the advice of the officer.

Sec. 64. Minnesota Statutes, 1979 Supplement, Section 43.062, Subdivision 3, is amended to read:

Subd. 3. [BASE SALARIES.] Except for positions for which salary ranges have been established, the salary listing shall contain a specific salary for each position defined in subdivision 1.

The (BOARD) *governor* shall determine only a fixed salary for the positions of the constitutional officers, executive secretary of the board of investment, the judge of the workers' compensation court of appeals and the commissioner of public service.

Sec. 65. Minnesota Statutes 1978, Section 43.065, is amended to read:

43.065 [SALARY REVIEW.] Subdivision 1. [SALARIES TO BE EQUITABLE.] When determining or recommending salaries for any position, the (PERSONNEL BOARD AND THE) *governor and the* commissioner of personnel shall assure that:

(1) Salaries in the classified and unclassified service bear equitable relationship to one another;

(2) Salaries among the various positions listed in section 15A.081, bear equitable relationships to one another; and

(3) Salaries for state positions bear equitable relationships to salaries for similar positions outside state service.

Salaries bear equitable relationships to one another within the meaning of this section if salaries for positions which require comparable knowledge, abilities, duties, responsibilities and accountabilities are comparable and if salaries for positions which require differing knowledge, abilities, duties, responsibilities and accountabilities are directly proportional to the knowledge, abilities, duties, and responsibilities required.

Subd. 2. [METHOD OF REVIEW.] In recommending the salary listing described in section 15A.081, the (BOARD) *governor* shall consider only those criteria established by subdivision 1 and shall not take into account personal performance of individual incumbents. The (BOARD) *governor* shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities and accountabilities and in determining salary listings rate each position according to this system.

Subd. 3. [INFORMATION, CONSULTANTS.] Each department shall furnish the (BOARD) *commissioner* with any information which the (BOARD) *commissioner* may request to aid in the performance of its duties. Subject to appropriations, the (BOARD) *commissioner* may engage expert consultants.

Sec. 66. Minnesota Statutes 1978, Section 43.067, Subdivision 2, is amended to read:

Subd. 2. [DISCRETIONARY EXEMPTIONS.] The (PERSONNEL BOARD) *commissioner* may grant exemptions from the provisions of subdivision 1 in the case of individual persons. A salary increase authorized by other law by reason of seniority or cost of living adjustments shall not be sufficient reason to grant an exemption. The (BOARD) *commissioner* may grant an exemption upon application of the appointing authority, but only if the (BOARD) *commissioner* determines that the position requires special expertise necessitating a higher salary in order to attract or retain qualified persons. In no event may a salary exempted pursuant to this subdivision exceed 120 percent of the base salary of the position in respect to which the exemption was requested.

Sec. 67. Minnesota Statutes 1978, Section 43.068, is amended to read:

43.068 [GOVERNOR MAY FIX CERTAIN SALARIES.] The initial salary of a department head and any deputy of a department head occupying a position in the unclassified service hereafter established whose salary is not specifically prescribed by law shall be fixed by the governor, after consultation with the (PERSONNEL BOARD) *commissioner*, whose recommendation shall be advisory only, in an amount comparable to the salary of a department head or a deputy of a department head having similar duties and responsibilities.

Sec. 68. Minnesota Statutes, 1979 Supplement, Section 43.09, Subdivision 2a, is amended to read:

Subd. 2a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Notwithstanding any other law to the contrary, the (PERSONNEL BOARD) *commissioner*, upon the request of the governor, is hereby authorized to establish permanent unclassified positions, or to unclassify previously classified positions, provided that:

(1) Positions so established involve only deputy or assistant heads of departments or agencies, or director level positions which are not specifically established by law, and who are appointed by and report directly to a head of a department or agency who is required by law to be appointed by the governor, or by a gubernatorially appointed board; as well as one position for a personal secretary of any head of a department or agency listed in clause (4).

(2) Classified incumbents of such positions, if any, are not removed from that position for a period of one year except under applicable provisions of rules and laws governing classified state employees. An incumbent of a position that is declassified pursuant to this subdivision, if he so requests within 120 days after being removed from that position, shall be appointed to a classified position comparable to the position that was declassified, or if such a position is unavailable, to a position comparable to that which he held immediately prior to being appointed to the position that was declassified. If a position is declassified and the incumbent at the time the position was declassified had no classified status immediately prior to the appointment to the position that was declassified, he shall, if he so requests within 120 days after being removed from that position, be appointed to a comparable or lower classified position within two salary ranges of the position that was declassified.

(3) If an employee in the classified civil service accepts a newly created unclassified position, he shall retain an inactive classified civil service status and, upon his request, shall be reappointed to a classified position comparable to that which he held immediately prior to being appointed to the unclassified position.

(4) Positions so established are limited in number to six in the departments of administration, corrections, economic security, finance, transportation, natural resources, public safety, public welfare, and revenue; to five in the departments of commerce, education, health, labor and industry, personnel and the housing finance agency; to four in the departments of agriculture, and economic development; to three in the department of public service, the planning agency, and the pollution control agency; and to two in the departments of human rights, the crime control planning board and veterans affairs. Departments or agencies not enumerated in this clause shall not be authorized to establish

additional unclassified positions under the provisions of this subdivision.

(5) Funds are available.

Sec. 69. Minnesota Statutes, 1979 Supplement, Section 43.15, Subdivision 1, 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 and individual agency affirmative action plans adopted pursuant to the statewide program shall be in accordance with adopted rules. As used in this section, "protected group" means a group consisting of females, handicapped persons, and until 1989 veterans who served in the military service of this country during the period (JULY 1) *from August 5, 1964, to (DECEMBER 31, 1976) May 7, 1975,* and separated under honorable conditions from any branch of the armed forces of the United States: (a) after having served on active duty for 181 consecutive days or (b) by reason of disability incurred while serving on active duty, and who are permanent residents of the state of Minnesota, or members of the following minorities: Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native.

Sec. 70. Minnesota Statutes, 1979 Supplement, Section 43.24, 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. 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 for more than 30 days, or reduced in pay or position,

shall be notified no later than the effective date of the action of his right to appeal the action to the (BOARD) *chief hearing examiner of the state office of administrative hearings who shall assign a hearing examiner to hear the matter.*

Subd. 1a. [JUST CAUSE.] For the purposes of this section, "just cause" includes, but is not limited to, consistent failure to perform assigned duties, substandard performance, insubordination, and serious violation of written policies and procedures, provided the policies and procedures are applied in a uniform, non-discriminatory manner. "Just cause" excludes the religious beliefs, political beliefs, race, sex, disability status and age of the employee, subject however to mandatory retirement ages specified by law and excludes discharge for mere whim or caprice.

Subd. 2. [APPEAL TO BOARD; PUBLIC HEARINGS, FINDINGS, HEARING CONFERENCE.] Any permanent employee who is removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position and who has not elected to proceed pursuant to a grievance procedure, if (SUCH) *the procedure is available, pursuant to sections 179.61 to 179.77, may appeal to the (BOARD) chief hearing examiner of the state office of administrative hearings who shall assign a hearing examiner to hear the matter within 30 days after the effective date of (SUCH) the removal, discharge, suspension or reduction in pay or position. In no event may an employee avail himself of both the procedure under this section and the grievance procedure under sections 179.61 to 179.77. Upon (SUCH) appeal, both the appealing employee and the appointing authority or their representatives shall meet with the hearing officer, at a place and on (SUCH) a date as set by him for the purpose of determining the facts at issue. Prior to the hearing conference, both parties may stipulate on mutually agreed matters relevant to the dismissal or other disciplinary action referred to in this subdivision. If the hearing officer is successful in reaching a mutually agreed settlement between both parties, such agreement shall be certified to the (BOARD) chief hearing examiner, with copies furnished to both parties, and (SUCH) the agreement, if approved by the (BOARD) chief hearing examiner, shall become binding on both parties. The hearing conference shall be conducted in such manner and follow such procedures as prescribed by the (BOARD) contested case provisions of chapter 15. The issues and facts on which agreement has not been reached will be decided during the hearing at which hearing technical rules of evidence shall not apply. If the (BOARD) hearing examiner finds that the action complained of was not taken by the appointing authority for just cause, the employee shall be reinstated to his position, or an equal position in another department or division, without loss of pay. If the (BOARD) hearing examiner finds that there exist sufficient grounds for institution of dismissal but extenuating circumstances are brought out in testimony and evidence, (IT) he may in (ITS) his discretion reinstate the employee, with full, partial, or no*

pay, or it may modify the appointing authority's action by substituting a lesser disciplinary action. The hearing officer shall recommend to the (BOARD) *chief hearing examiner* an appropriate disposition of the case. If no exceptions are made, the hearing officer's recommended disposition shall, at the option of the (BOARD) *chief hearing examiner*, become final. If exceptions are taken, the (BOARD) *chief hearing examiner*, upon a review of the record, may accept the officer's recommendations with or without additional oral or written evidence from the parties, may remand the case to the officer for further hearing, adopt the hearing officer's report with any changes warranted by the record, or issue its own report of findings and orders. In those cases in which the (BOARD) *chief hearing examiner* finds just cause for dismissal, the findings and recommendations of the (BOARD) *chief hearing examiner* shall be submitted to and considered by the appointing authority, who may, not later than 30 days after receipt of (SUCH) *the findings and recommendations*, reinstate the employee with or without pay for the period of suspension, or otherwise modify his original decision of suspension, demotion, or discharge. When any permanent employee is dismissed and not reinstated after appeal, the (BOARD) *chief hearing examiner* may direct that his name be placed on an appropriate reemployment list, for employment in any similar position other than the one from which he has been removed, which direction shall be enforced by the commissioner. *If the chief hearing examiner supports the agency decision, or if the agency refuses to accept the chief hearing examiner's recommendations, the employee may appeal as though from a contested case decision pursuant to chapter 15.*

Subd. 3. [REQUEST FOR WRITTEN STATEMENT.] When any such permanent employee shall be suspended without pay, he shall, within 30 days time after being notified of such disciplinary action, be furnished with a statement in writing specifically setting forth the reasons for the disciplinary action, and a copy of such statement shall then also be filed with the commissioner.

Sec. 71. Minnesota Statutes 1978, Section 43.323, Subdivision 1, is amended to read:

43.323 [PERSONNEL RULE; PROCEDURE.] Subdivision 1. When so authorized by law, the commissioner of personnel shall issue (,) *personnel rules or revisions* in conformance with the requirements of chapter 15 (, PERSONNEL RULES, OR CHANGES THEREOF, AND SHALL SUBMIT SUCH PROPOSED RULES, OR CHANGES TO EXISTING RULES, TO THE PERSONNEL BOARD, FOR ITS OPINION WHICH SHALL BE ADVISORY ONLY).

(WITHIN THREE WEEKS AFTER RECEIPT OF SUCH PROPOSED RULES OR CHANGES TO EXISTING RULES, THE PERSONNEL BOARD SHALL FILE ITS OPINION ON

THE PROPOSED RULE OR RULE CHANGE WITH THE COMMISSIONER.)

(AFTER RECEIPT OF THE BOARD'S ADVISORY OPINION ON THE PROPOSED RULE OR CHANGE OF RULE, THE COMMISSIONER SHALL WITHIN SEVEN DAYS PROMULGATE OR WITHDRAW THE PROPOSED RULE OR PROPOSED CHANGE OF RULE.) A provision of an agreement entered into by the commissioner pursuant to section 179.74, subdivision 5 shall supersede the provisions of any rule or portion thereof which is inconsistent therewith.

Sec. 72. Minnesota Statutes 1978, Section 43.324, Subdivision 2, is amended to read:

Subd. 2. The recommendation of the commissioner as required by subdivision 1 shall include the recommendations (OF THE PERSONNEL BOARD) concerning salaries in the unclassified service or any modifications thereof which he has made. (BUT NO MODIFICATION OF THE PERSONNEL BOARD'S RECOMMENDATIONS SHALL BE MADE BY THE COMMISSIONER WITHOUT A WRITTEN EXPLANATION THEREFOR, AND IN NO EVENT MAY THE COMMISSIONER MAKE ANY CHANGES IN THE RECOMMENDATIONS OF THE PERSONNEL BOARD CONCERNING POSITIONS IN THE LEGISLATIVE AND JUDICIAL BRANCHES.)

Sec. 73. Minnesota Statutes 1978, Section 43.35, is amended to read:

43.35 [VIOLATIONS; PENALTIES.] Any (PERSONNEL) board member, the commissioner, or examiner or any other person,

(1) who wilfully or corruptly, by himself or in cooperation with one or more persons, defeats, deceives, or obstructs any person with respect to his rights of examination or application according to this chapter, or to any rules or regulations prescribed pursuant thereto, or

(2) who wilfully or corruptly falsely marks, grades, estimates, or reports upon the examination or proper standing of any person examined, registered, certified, employed, or promoted pursuant to the provisions of these sections, or aids in so doing, or who wilfully destroys any examination questions, answers, or records thereon of any applicant for civil service within a period of one year after any examination has been completed, or

(3) who wilfully or corruptly makes or files any false representations concerning the persons examined, registered, certified, appointed, employed, or promoted, or

(4) who wilfully or corruptly furnishes any person with any special or secret information for the purpose of either improving or injuring the prospects or chances of any person so examined, registered, or certified, being appointed, employed, or promoted, or

(5) who personates any other person, or permits or aids in any manner any other person to personate him in connection with any examination or registration, or application or request to be examined or registered, or

(6) who wilfully or corruptly shall appoint to a position in the classified service, or dismisses, suspends, reduces in rank or pay any officer or employee from any position in the classified service otherwise than in compliance with, and in conformity to, the provisions of this chapter and the rules and regulations of the commissioner of personnel adopted pursuant thereto, or

(7) who wilfully or corruptly refuses or neglects otherwise to comply with, or conform to, the provisions of this chapter and the rules and regulations made pursuant thereto, or violates any of these provisions, shall be deemed guilty of a misdemeanor and punished accordingly.

Any conviction under this section shall render the public officer or position held by the person so convicted vacant, and such person shall be ineligible to hold public office for a period of five years from the date of the conviction.

Sec. 74. Minnesota Statutes 1978, Section 62D.12, is amended by adding a subdivision to read:

Subd. 12. No health maintenance contract issued or renewed on or after July 1, 1980 shall contain any provision denying or reducing benefits because services are rendered to an insured or dependent who is eligible for or receiving medical assistance pursuant to chapter 256B or services pursuant to sections 252.27; 260.251, subdivision 1a; 261.27; or 393.07, subdivisions 1 or 2.

Sec. 75. Minnesota Statutes, 1979 Supplement, Section 82.21, Subdivision 1, is amended to read:

82.21 [FEES.] Subdivision 1. [AMOUNTS.] The following fees shall be paid to the commissioner:

(a) A fee of \$50 for each initial individual broker's license, and a fee of \$25 for each annual renewal thereof;

(b) A fee of \$25 for each initial salesperson's license, and a fee of \$10 for each annual renewal thereof;

(c) A fee of \$50 for each initial corporate or partnership license, and a fee of \$25 for each annual renewal thereof;

(d) A fee not to exceed (\$20) \$40 per year for payment to the education, research and recovery fund in accordance with section 82.34;

(e) A fee of \$10 for each transfer.

Sec. 76. Minnesota Statutes 1978, Section 82.34, is amended to read:

82.34 [REAL ESTATE EDUCATION, RESEARCH AND RECOVERY FUND.] Subdivision 1. There is established a "real estate education, research and recovery fund" to be administered by the commissioner of securities. The state treasurer shall be the custodian of the fund and shall operate under the direction of the commissioner.

Subd. 2. There is hereby created in the state treasury a real estate education, research and recovery fund which shall be administered by the commissioner in the manner and for the purposes prescribed in this section.

Subd. 3. Each real estate broker and real estate salesperson entitled under this chapter to renew his license, when renewing for the first time after July 1, 1973, shall pay in addition to the appropriate renewal fee a further fee of \$20 which shall be credited to the real estate education, research and recovery fund. Any person who receives a new real estate broker's or real estate salesperson's license after July 1, 1973 shall pay said fee of \$20 in addition to all other fees payable, provided that in no case shall any real estate broker or real estate salesperson be required under this subdivision to pay said fee of \$20 more than once. *The one time fee shall increase to \$40 for any person who receives a new real estate broker's or real estate salesperson's license after July 1, 1980. In addition each real estate broker or real estate salesperson when renewing his license after July 1, 1980, shall each time pay a fee of \$5 to be credited to the real estate education, research and recovery fund.*

Subd. 4. If at the end of any fiscal year *prior to calendar year 1981* following the establishment of the real estate education, research and recovery fund, the amount remaining in the fund is less than \$200,000, every licensed real estate broker and real estate salesperson, when renewing his license, shall pay in addition to the annual renewal fee, a sum not to exceed \$20 said sum having been determined by the commissioner to be sufficient to restore the balance in the fund to at least \$200,000.

Commencing with calendar year 1981, not to exceed \$400,000 of the fund shall be available for recovery purposes to satisfy all claims authorized for payment each calendar year. This shall

be designated as the recovery portion of the fund. Commencing in calendar year 1981, if the amount remaining in the fund after payment of all amounts authorized during the preceding calendar year for payment to claimants is less than \$400,000 plus the amount appropriated pursuant to subdivision 6, every licensed real estate broker and real estate salesperson, when renewing his license, shall pay, in addition to the annual renewal fee and the \$5 fee set forth in subdivision 3, a sum not to exceed \$35, said sum having been reasonably determined by the commissioner to be necessary to restore the balance in the fund.

Subd. 5. Any funds (IN EXCESS OF \$200,000) shall, upon request of the commissioner, be invested by the state board of investment in the class of securities specified in section 11.16 and acts amendatory thereto. All interest and profits from such investments shall be credited to the real estate education, research and recovery fund. The state treasurer shall be the custodian of securities purchased under the provisions of this section.

Subd. 6. The commissioner (, IN HIS DISCRETION MAY USE ANY FUNDS IN EXCESS OF \$200,000) *may expend monies as appropriated* for the following purposes:

- (a) To promote the advancement of education and research in the field of real estate for the benefit of those licensed under this chapter;
- (b) To underwrite educational seminars and other forms of educational projects for the benefit of real estate licensees;
- (c) To establish a real estate chair or courses at Minnesota state institutions of higher learning for the purpose of making such courses available to licensees and the general public;
- (d) To contract for a particular educational or research project in the field of real estate to further the purposes of this chapter (.);
- (e) *To pay the costs of the real estate advisory council established under section 82.30; and*
- (f) *To pay any reasonable costs and disbursements, excluding attorney's fees, incurred in defending actions against the real estate education, research and recovery fund including the cost of mailing or publication of notice pursuant to subdivision 12 and subdivision 14.*

Subd. 7. When any aggrieved person obtains a final judgment in any court of competent jurisdiction against any person licensed under this chapter, on grounds of fraudulent, deceptive or dishonest practices, or conversion of trust funds arising directly out of any transaction when the judgment debtor was

licensed and performed acts for which a license is required under this chapter, and which cause of action occurred on or after July 1, 1973, the aggrieved person may, upon the judgment becoming final, and upon termination of all proceedings, including reviews and appeals, file a verified application in the court in which the judgment was entered for an order directing payment out of the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the fund of the amount of actual and direct out of pocket loss in such transaction, but excluding interest on the loss and on any judgment obtained as a result of such loss*, up to the sum of \$20,000 of the amount unpaid upon the judgment, provided that nothing in this chapter shall be construed to obligate the fund for more than \$20,000 per transaction, *subject to the limitations set forth in subdivisions 12 and 14*, regardless of the number of persons aggrieved or parcels of real estate involved in such transaction. A copy of the verified application shall be served upon the commissioner and upon the judgment debtor, and a certificate or affidavit of such service filed with the court.

Subd. 8. The court shall conduct a hearing upon such application 30 days after service of the application upon the commissioner. Upon petition of the commissioner, the court shall continue the hearing up to 60 days further; and upon a showing of good cause may continue the hearing for such further period as the court deems appropriate. At the hearing the aggrieved person shall be required to show that:

(a) He is not a spouse of debtor, or the personal representative of such spouse;

(b) He has complied with all the requirements of this section;

(c) He has obtained a judgment as set out in subdivision 7, stating the amount thereof and the amount owing thereon at the date of the application;

(d) He has made all reasonable searches and inquiries to ascertain whether the judgment debtor is possessed of real or personal property or other assets, liable to be sold or applied in satisfaction of the judgment;

(e) By such search he has discovered no personal or real property or other assets liable to be sold or applied, or that he has discovered certain of them, describing them, owned by the judgment debtor and liable to be so applied, and that he has taken all necessary action and proceedings for the realization thereof, and that the amount thereby realized was insufficient to satisfy the judgment, stating the amount so realized and the balance remaining due on the judgment after application of the amount realized;

(f) He has diligently pursued his remedies against all the judgment debtors and all other persons liable to him in the transaction for which he seeks recovery from the real estate education, research and recovery fund;

(g) He is making said application no more than one year after the judgment becomes final, or no more than one year after the termination of any review or appeal of the judgment.

Subd. 9. Whenever the court proceeds upon an application as set forth in subdivision 7, it shall order payment out of the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the fund* only upon a determination that the aggrieved party has a valid cause of action within the purview of subdivision 7 and has complied with the provisions of subdivision 8. The judgment shall be only prima facie evidence of such cause of action and for the purposes of this section shall not be conclusive. The commissioner may defend any such action on behalf of the fund and shall have recourse to all appropriate means of defense and review including examination of witnesses. The commissioner may move the court at any time to dismiss the application when it appears there are no triable issues and the petition is without merit. The motion may be supported by affidavit of any person or persons having knowledge of the facts, and may be made on the basis that the petition, and the judgment referred to therein, does not form the basis for a meritorious recovery claim within the purview of subdivision 7; provided, however, the commissioner shall give written notice at least ten days before such motion. The commissioner may, subject to court approval, compromise a claim based upon the application of an aggrieved party. He shall not be bound by any prior compromise or stipulation of the judgment debtor.

Subd. 10. The commissioner may defend any such action on behalf of the fund and shall have recourse to all appropriate means of defense and review, including examination of witnesses. The judgment debtor may defend any such action on his own behalf and shall have recourse to all appropriate means of defense and review, including examination of witnesses. Whenever an applicant's judgment is by default, stipulation, or consent, or whenever the action against the licensee was defended by a trustee in bankruptcy, the applicant shall have the burden of proving his cause of action for fraudulent, deceptive or dishonest practices, or conversion of trust funds. Otherwise, the judgment shall create a rebuttable presumption of the fraudulent, deceptive or dishonest practices, or conversion of trust funds. This presumption is a presumption affecting the burden of producing evidence.

Subd. 11. If the court finds after the hearing that said claim should be levied against the *recovery* portion of the fund (ALLOCATED FOR THE PURPOSE OF CARRYING OUT THE PROVISIONS OF THIS SECTION), the court shall enter

an order directed to the commissioner requiring payment from the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the* fund of whatever sum it shall find to be payable upon the claim pursuant to the provisions of and in accordance with the limitations contained in this section.

Subd. 12. (a) Notwithstanding any other provision of this section, the liability of (THAT) *the recovery* portion of the (REAL ESTATE EDUCATION, RESEARCH AND RECOVERY) fund (ALLOCATED FOR THE PURPOSES OF THIS SECTION) *to all persons for all losses* shall not exceed (\$20,000) \$25,000 for any one licensee;

(b) If the (\$20,000) \$25,000 liability of the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the* fund is insufficient to pay in full the valid claims of all aggrieved persons by whom claims have been filed against any one licensee, such (\$20,000) \$25,000 shall be distributed among them in the ratio that their respective claims bear to the aggregate of such valid claims or in such other manner as the court deems equitable. Distribution of such moneys shall be among the persons entitled to share therein, without regard to the order of priority in which their respective judgments may have been obtained or their claims have been filed. Upon petition of the commissioner, the court may require all claimants and prospective claimants against one licensee to be joined in one action, to the end that the respective rights of all such claimants to the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the* fund may be equitably adjudicated and settled.

Subd. 13. Should the commissioner pay from the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the* fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensed broker or salesperson, the license of the broker or salesperson shall be automatically suspended upon the effective date of an order by the court as set forth herein authorizing payment from the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the* fund. No such broker or salesperson shall be granted reinstatement until he has repaid in full, plus interest at the rate of (FOUR) 12 percent a year, *twice* the amount paid from the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the* fund on his account, *and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of \$40,000. The bond shall be filed with the commissioner, with the state of Minnesota as obligee, conditioned for the prompt payment to any aggrieved person entitled thereto, of any amounts received by the real estate broker or salesperson or to protect any aggrieved person from loss resulting from fraudulent, deceptive or dishonest practices or conversion of trust funds arising out of any transaction when the real estate broker or salesperson was licensed and performed acts for which a license is required under this chapter. The bond shall remain*

operative for as long as that real estate broker or salesperson is licensed. No payment shall be made from the recovery portion of the fund based upon claims against any broker or salesperson who is granted reinstatement pursuant to this subdivision. A discharge in bankruptcy shall not relieve a person from the penalties and disabilities provided in this section.

Subd. 14. (IF, AT ANY TIME, THE MONEY DEPOSITED IN THE REAL ESTATE EDUCATION, RESEARCH AND RECOVERY FUND AND ALLOCATED FOR PURPOSES OTHER THAN REAL ESTATE EDUCATION AND RESEARCH IS INSUFFICIENT TO SATISFY ANY DULY AUTHORIZED CLAIM OR PORTION THEREOF, THE COMMISSIONER SHALL, WHEN SUFFICIENT MONEY HAS BEEN DEPOSITED IN THE REAL ESTATE EDUCATION, RESEARCH AND RECOVERY FUND, SATISFY SUCH UNPAID CLAIMS OR PORTIONS THEREOF, IN THE ORDER THAT SUCH CLAIMS OR PORTIONS THEREOF WERE ORIGINALLY FILED, PLUS ACCUMULATED INTEREST AT THE RATE OF FOUR PERCENT A YEAR.) *The commissioner shall satisfy all claims against licensees for which an order pursuant to subdivision 11 directing payment from the recovery portion of the fund has become final during the calendar year. Each claim shall be satisfied by the commissioner in not less than 30 and not more than 90 days following the end of the calendar year in which the order directing payment of the claim becomes final, commencing with calendar year 1981. If, at the end of any calendar year, the commissioner determines that the courts have issued orders that have become final during the year directing payment out of the recovery portion of the fund in a total amount in excess of \$400,000, the commissioner shall allocate the \$400,000 available for recovery purposes among all claimants in the ratio that the amount ordered paid to each claimant bears to the aggregate of all amounts ordered paid. The commissioner shall mail notice of the allocation to all claimants not less than 45 days following the end of the calendar year. Any claimant who objects to the plan of allocation shall file a petition in the district court of Ramsey or Hennepin County within 20 days of the mailing of notice setting forth the grounds for objection. Upon motion of the commissioner the court shall summarily dismiss the petition and order distribution in accordance with the proposed plan of allocation unless it finds substantial reason to believe that the distribution would be in violation of the provisions of this section. If a petition is filed, no distribution shall be made except in accordance with a final order of the court. In the event no petition is filed within 20 days of the mailing of notice, the commissioner shall make a distribution in accordance with the plan of allocation. Any distribution made by the commissioner in accordance with this subdivision shall be deemed to satisfy and extinguish the claims of any claimant receiving a distribution against the recovery portion of the fund.*

Subd. 15. Any sums received by the commissioner pursuant to any provisions of this section shall be deposited in the state

treasury, and credited to the real estate education, research and recovery fund, and said sums shall be allocated exclusively for the purposes provided in this section. All moneys in the fund are appropriated annually to the commissioner for the purposes of this section.

Subd. 16. It shall be unlawful for any person or the agent of any person to knowingly file with the commissioner any notice, statement, or other document required under the provisions of this section which is false or untrue or contains any material misstatement of fact. Such conduct shall constitute a gross misdemeanor.

Subd. 17. When, upon the order of the court, the commissioner has paid from the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the fund* any sum to the judgment creditor, the commissioner shall be subrogated to all of the rights of the judgment creditor to the extent of the amount so paid and the judgment creditor shall assign all his right, title and interest in the judgment to the extent of the amount so paid to the commissioner and any amount and interest so recovered by the commissioner on the judgment shall be deposited to the fund.

Subd. 18. Nothing contained in this section shall limit the authority of the commissioner to take disciplinary action against any licensee under other provisions of this chapter; nor shall the repayment in full of all obligations to the (REAL ESTATE EDUCATION, RESEARCH AND) recovery *portion of the fund* by any licensee nullify or modify the effect of any other disciplinary proceeding brought pursuant to the provisions of this chapter.

Subd. 19. The commissioner shall include in the annual report of the commerce commission pursuant to section 45.033, a report on the activities of the real estate education, research and recovery fund; noting the amount of money received by the fund, the amount of money expended and the purposes therefor.

Subd. 20. Claims for which orders for payment have become final prior to January 1, 1981 shall be paid in accordance with Minnesota Statutes 1978, Section 82.34, but shall be subject to the limitations set forth in subdivisions 7 and 12. If at any time the amount deposited in the recovery portion of the fund is insufficient to satisfy any duly authorized claim or portion thereof for which an order directing payment has become final prior to January 1, 1981, the commissioner shall treat the unpaid claims or portions thereof as if entered pursuant to orders which become final in the calendar year 1981. Those claims shall be paid in accordance with the procedure set forth in subdivision 14 and shall be subject to the limitations set forth in subdivisions 4 and 14.

Sec. 77. [APPROPRIATION.] *Subdivision 1. The sum of \$158,900 is appropriated from the real estate education, re-*

search, and recovery fund to the commissioner of securities for the purpose of section 82.34, subdivision 6, as amended by this act. This appropriation is available until June 30, 1981.

The approved complement for the department of commerce—securities division is increased by three positions upon termination of the university of Minnesota contract for real estate education activities.

Subd. 2. If the position of St. Cloud State University chair of real estate has not been filled by August 1, 1980, all further contractual obligations of the state are void and \$25,000 of this appropriation shall cancel and revert to the real estate education research and recovery fund. In this event, an additional \$25,000 within this appropriation is earmarked for repayment of any bona fide contractual expenses incurred by St. Cloud State University during the life of the contract.

Sec. 78. Minnesota Statutes 1978, Section 90.195, is amended to read:

90.195 [SPECIAL USE PERMIT.] The commissioner (, FOR A \$5 FEE,) may issue a permit to salvage or cut not to exceed 25 cords of fuelwood per year for personal use from either or both of the following sources: (1) Dead, down, and diseased trees; (2) other trees that are of negative value under good forest management practices. (SUCH) *The permits may be issued for a period not to exceed one year. The commissioner shall charge a fee, not less than \$5, in an amount up to the stumpage current market value of fuelwood of similar species, grade, and volume that is being sold in the area where the salvage or cutting is authorized under the permit.*

Sec. 79. Minnesota Statutes 1978, Section 94.10, Subdivision 1, is amended to read:

94.10 [SURVEYS, APPRAISALS AND SALE.] Subdivision 1. Before offering any surplus state owned lands for sale, the commissioner of administration may survey such lands, and if the value thereof is estimated to be (\$5,000) \$20,000 or less, may have such lands appraised. He shall have the lands appraised if the estimated value is in excess of (\$5,000) \$20,000. The appraisal shall be made by not less than three appraisers, at least two of whom shall be residents of the county in which the lands are situated. Each appraiser shall before entering upon the duties of his office take and subscribe an oath that he will faithfully and impartially discharge his duties as appraiser according to the best of his ability and that he is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall

be attached to the report of such appraisal. Before offering such surplus state owned lands for public sale, such lands shall first be offered to the city, county, town, school district, or other public body corporate or politic in which the lands are situated for public purposes and they may be sold for such public purposes for not less than the appraised value thereof. To determine whether a public body desires to purchase the surplus land, the commissioner of administration shall publish notice describing the land on the same day of at least two successive weeks in a newspaper of general circulation in the county in which the land is located; however, the commissioner shall give a written notice to the governing body of each political subdivision whose jurisdictional boundaries include or are adjacent to the surplus land. If a public body desires to purchase the surplus land it shall submit a written offer to the commissioner not later than two weeks after the last published notice setting forth in detail its reasons for desiring to acquire and its intended use of the land. In the event that more than one public body tenders an offer, the commissioner shall determine which party shall receive the property, and he shall submit written findings regarding his decision. If lands are offered for sale for such public purposes, and if a public body notifies the commissioner of administration of its desire to acquire such lands, the public body may have not to exceed two years from the date of the accepted offer to commence payment for the lands in the manner provided by law.

Sec. 80. Minnesota Statutes 1978, Section 94.16, is amended to read:

94.16 [FUNDS, HOW DISPOSED OF.] All moneys received from the sale of such lands or lots shall be credited to the general fund of the state, *except that a portion of the proceeds from the sale equal in amount to the survey, appraisal, legal, advertising, and other expenses incurred by the commissioner of administration or other state official in rendering the property saleable shall be remitted to the account from which the expenses were paid, and are appropriated and immediately available for expenditure in the same manner as other money in the account.*

Sec. 81. Minnesota Statutes 1978, Section 97.431, Subdivision 4, is amended to read:

Subd. 4. [COMMISSIONER'S POWERS AND DUTIES.] Notwithstanding the provisions of any other law to the contrary, the commissioner of natural resources, on behalf of the state of Minnesota, shall take all actions, by order or otherwise, which are necessary to carry out the duties and obligations of the state of Minnesota arising from the agreement entered into by the parties to the settlement agreement. These actions include but are not limited to the following:

(a) The implementation of the exemption of members of the band and other members of the Minnesota Chippewa tribe from state laws relating to hunting, fishing, trapping, the taking of minnows and other bait, and the gathering of wild rice while within the reservation, together with exemption from related possession and transportation laws, to the extent necessary to effectuate the terms of the settlement agreement;

(b) The establishment of a system of special licenses and related license fees for persons who are not members of the Minnesota Chippewa tribe for the privilege of hunting, fishing, trapping, or taking minnows and other bait, within the reservation. All money collected by the commissioner for special licenses shall be deposited in the state treasury and credited to the Leech Lake Band and White Earth Band special license account, which is hereby created. All money in the state treasury credited to the Leech Lake Band and White Earth Band special license account, less any deductions for administrative costs authorized by the terms of the settlement agreement, is appropriated to the commissioner who shall remit the money to the committee pursuant to the terms of the settlement agreement;

(c) To the extent necessary to effectuate the terms of the settlement agreement, the promulgation of regulations for the harvesting of wild rice within the reservation by non-Indians;

(d) To the extent necessary to effectuate the terms of the settlement agreement, the establishment of policies and procedures for the enforcement by conservation officers of the conservation code adopted by the band; and

(e) The arbitration of disputes arising under the terms of the settlement agreement.

Sec. 82. Minnesota Statutes 1978, 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 in connection with the state waterfowl stamp for the privilege of hunting waterfowl on the Leech Lake Indian Reservation *an amount equal to five percent of the proceeds from the sale of said stamp shall be credited to the Leech Lake Band and White Earth 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.*

Sec. 83. Minnesota Statutes 1978, Chapter 97, is amended by adding a section to read:

[97.433] [AGREEMENTS WITH THE LEECH LAKE AND WHITE EARTH BANDS OF CHIPPEWA INDIANS RELATING TO HUNTING AND FISHING LICENSES AND FEES.] *Subdivision 1.* [AGREEMENT WITH THE WHITE EARTH BAND OF CHIPPEWA INDIANS.] *The commissioner may enter into an agreement with authorized representatives of the White Earth Band of Chippewa Indians on substantially the same terms as the agreement adopted by section 97.431 and amended pursuant to section 97.432; except that in lieu of the system described in section 97.431, subdivision 4, clause (b), of special licenses and related license fees for persons who are not members of the Minnesota Chippewa tribe, for the privilege of hunting, fishing, trapping, or taking minnows and other bait within the reservation, the agreement shall provide that an amount equal to two and one-half percent of the proceeds from the sale of all licenses sold in the state of Minnesota for hunting, fishing, trapping, or taking of minnows or other bait shall be credited to the special license account established by section 97.431, and shall be remitted to the White Earth Band in the manner and subject to the terms and conditions that may be mutually agreed upon. An agreement negotiated pursuant to this subdivision shall be for a term of at least four years following the date of its execution.*

Subd. 2. [AMENDMENT TO THE LEECH LAKE SETTLEMENT AGREEMENT.] *The commissioner may enter into an agreement with authorized representatives of the Leech Lake Band of Chippewa Indians to amend the settlement agreement adopted by section 97.431 and previously amended pursuant to section 97.432 by providing that in lieu of the system of special licenses and license fees for persons who are not members of the Minnesota Chippewa tribe for the privilege of hunting, fishing, trapping, or taking minnows and other bait within the reservation, an amount equal to five percent of the proceeds from the sale of all licenses sold in the state of Minnesota for hunting, fishing, trapping, or taking minnows and other bait shall be credited to the special license account established by section 97.431 and shall be remitted to the Leech Lake Band in the manner and subject to the terms and conditions that may be mutually agreed upon.*

Subd. 3. [SOURCE OF PAYMENTS.] *Money to make payments to the Leech Lake Band and White Earth Band special license account pursuant to sections 80 and 81 is annually appropriated for that purpose in a ratio of 60 percent from the game and fish fund and 40 percent from the general fund.*

Sec. 84. Minnesota Statutes 1978, Section 106.471, is amended by adding a subdivision to read:

Subd. 9. *Where the cost of the repair of a ditch system exceeds the benefits determined in the original proceedings for the establishment of the ditch, the requirements of section 106.501*

for improvements of ditch systems shall apply when the following conditions are present:

(a) The repair will result in the drainage of 100 or more acres of public waters in Anoka County;

(b) The public waters have existed for 15 or more years;

(c) The ditch system has not been substantially repaired for more than 25 years; and

(d) The physical repair has not commenced prior to the effective date of this subdivision.

Sec. 85. Minnesota Statutes 1978, Chapter 112, is amended by adding a section to read:

[112.431] [DRAINAGE IMPROVEMENTS.] Subdivision 1. [FINDINGS.] The legislature finds that because of urban growth and development in the metropolitan area problems arise for the improvement and repair of drainage systems which were originally established for the benefit of land used for agricultural purposes and that the procedure for the improvement and repair of drainage systems now in the metropolitan area should be simplified to more adequately and economically improve and repair drainage systems.

Subd. 2. [DEFINITIONS.] (a) For the purpose of this section the terms defined in this subdivision have the meanings ascribed to them.

(b) "Drainage system" means a ditch as defined by Minnesota Statutes, Section 106.011, Subdivision 17.

(c) "Watershed district" means any watershed district established pursuant to the provisions of Minnesota Statutes, Chapter 112, wholly or partially in a metropolitan county.

(d) "Metropolitan county" means any one of the following counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott or Washington.

(e) "Metropolitan area" means the combined area of the metropolitan counties.

Subd. 3. [DRAINAGE IMPROVEMENTS.] With the concurrence of the governing bodies of the home rule charter or statutory cities and the town board of the towns where the drainage system is located, the board of managers of a watershed district in which there exists a drainage system shall have the power to improve and repair any drainage system transferred

to the watershed district pursuant to Minnesota Statutes, Section 112.65, by conforming to Minnesota Statutes, Sections 429.031; 429.041, Subdivisions 1 and 2; 429.051; 429.061 and 429.071.

Subd. 4. [ALTERNATIVE POWER.] *With the concurrence of the governing bodies of the home rule charter or statutory cities and the town boards of the towns where the drainage system is located, the managers in their discretion may improve and repair a drainage system under the power granted to them elsewhere in Minnesota Statutes, Chapter 112.*

Subd. 5. [APPEAL.] *Any person aggrieved by an order for improvement or repair by the managers or by an assessment may appeal as provided in Minnesota Statutes, Sections 112.801 and 112.82.*

Sec. 86. [NINE MILE CREEK, RILEY-PURGATORY CREEK AND RED LAKE WATERSHED DISTRICTS; TAX LEVY; ANNUAL ADMINISTRATIVE FUND LEVY.] *Notwithstanding any other law to the contrary, the Nine Mile Creek Watershed District in Hennepin County, the Riley-Purgatory Creek Watershed District in Hennepin and Carver counties and the Red Lake Watershed District in Polk, Beltrami, Marshall, Clearwater, Pennington, Red Lake, Koochiching, Mahnomen and Roseau counties are each authorized, in addition to all powers each now possesses, to establish an administrative fund. This fund shall be maintained by an annual ad valorem tax levy on each dollar of assessed valuation of all taxable property within the respective districts sufficient to raise an amount each year of up to, but not to exceed, an amount of \$125,000 in each district. This levy is in lieu of, not in addition to, the administrative levy contained in Minnesota Statutes 1978, Section 112.61, Subdivision 3. The funds shall be used for general administrative expenses and for the construction and maintenance of projects of benefit to the district. The managers may make an annual levy for this fund as provided in Minnesota Statutes, Section 112.611.*

Sec. 87. Minnesota Statutes 1978, Section 116C.63, Subdivision 4, is amended to read:

Subd. 4. *When private real property defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13 is proposed to be acquired for the construction of a site or route by eminent domain proceedings, the (PROPERTY) fee owner, or when applicable, the fee owner with the written consent of the contract for deed vendee, or the contract for deed vendee with the written consent of the fee owner, shall have the option to require the utility to condemn a fee interest in any amount of contiguous, commercially viable land which he wholly owns or has contracted to own in undivided fee and elects in writing to transfer to the utility within 60 days after his receipt of the notice of the objects of the petition filed pursuant to section 117.055. Commercial viability shall be determined without regard to the*

presence of the utility route or site. The owner or, when applicable, the contract vendee shall have only one such option and may not expand or otherwise modify his election without the consent of the utility. The required acquisition of land (CONTIGUOUS TO, BUT OUTSIDE THE DESIGNATED RIGHT OF WAY OF A ROUTE OR THE BOUNDARY OF A SITE,) pursuant to this subdivision shall be considered an acquisition for a public purpose and for use in the utility's business, for purposes of chapter 117 and section 500.24, respectively; provided that a utility shall divest itself completely of all such lands used for farming or capable of being used for farming (WITHIN FIVE YEARS AFTER THE DATE OF ACQUISITION, OR SUCH LAND SHALL BE SOLD AT A PUBLIC SALE IN THE MANNER PRESCRIBED BY LAW FOR THE FORECLOSURE OF A MORTGAGE BY ACTION) not later than the time it can receive the market value paid at the time of acquisition of lands less any diminution in value by reason of the presence of the utility route or site. Upon the owner's election made under this subdivision, the easement interest over and adjacent to the lands designated by the owner to be acquired in fee, sought in the condemnation petition for a high voltage transmission line right-of-way shall automatically be converted into a fee taking.

Sec. 88. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 10. No attempt need be made to tabulate, analyze or otherwise evaluate the potential impact of elections made pursuant to section 116C.63, subdivision 4, in environmental impact statements done for large electric power facilities. It is sufficient for purposes of this chapter that such statements note the existence of section 116C.63, subdivision 4.

Sec. 89. Minnesota Statutes 1978, Section 136.81, Subdivision 1, is amended to read:

136.81 [SALARY DEDUCTIONS, MATCHING FUNDS.]
Subdivision 1. Beginning July 1, 1967, there shall be deducted from the salary of each person described in section 136.80, subdivision 1, a sum equal to five percent of the portion of such person's annual salary paid between \$6,000 and \$15,000. Such deduction is to be made in the same manner as other retirement deductions are made from the salary of such a person only after the first \$6,000 has been paid in a fiscal year. The moneys so deducted, together with an equal sum contributed by the state, shall be deposited to the credit of the supplemental retirement account of the teachers retirement fund, which account is hereby established as an account separate and distinct from other funds, accounts, or assets of the teachers retirement fund. The moneys required from time to time to match the person's salary deductions as provided in this subdivision (ARE APPROPRIATED) shall be contributed to the board of trustees of the

teachers retirement fund (FROM THE GENERAL FUND) *by the state.*

Any deductions taken from the salary of a person for the supplemental retirement fund in error shall upon discovery and verification be refunded to the employee. The retirement board shall establish an account which will reflect any gains or losses due to the purchasing and redemption of shares made in error. The balance of such account shall be disposed of annually to the account established for the purpose of prorating among employees share accounts the cancellations of the previous 12 months.

If any payroll deductions are not made from an employee's salary as provided in this section, such deductions shall be remitted to the supplemental retirement account of the teachers retirement association within one year from the end of the fiscal year in which the deductions were due, and at the time of the receipt of such amount an equal amount shall be (APPROPRIATED) *contributed* to the board of trustees of the teachers retirement fund (FROM THE GENERAL FUND) *by the state.*

Sec. 90. Minnesota Statutes 1978, Chapter 138, is amended by adding a section to read:

[138.93] [GRANT-IN-AID ASSISTANCE; NON-STATE OWNED HISTORICAL INTERPRETIVE CENTERS.] *Subdivision 1. [STATE ASSISTANCE.] The state may pay part of the cost of construction of non-state owned historical interpretive center projects. The state's share may not exceed 50 percent of the cost of any project. In regions 3, 4, 9, 10, and 11, expenditures from appropriations by the 1977, 1978, and 1979 legislature shall be considered part of the state share of the project cost for the purposes of this section. No more than ten percent of the state's share of future appropriations pursuant to this section may be used for professional services. Development regions are the regions designated pursuant to section 462.385. There shall not be more than one state assisted project in each region.*

Subd. 2. [SELECTION PROCESS.] Each regional planning commission, except in regions 3, 4, 9, 10 and 11, may request designation of a non-state owned historical interpretive center. Applications shall be received by the commission for 180 days thereafter. Applications shall be in the form prescribed by the Minnesota historical society and include a master plan in accordance with the Minnesota outdoor recreation act of 1975. The regional planning commission may establish an advisory committee of 20 members from the region to make recommendations.

Subd. 3. [DESIGNATION.] After receipt of the regional planning commission's recommendation and review of the master plan in accordance with subdivision 5, the Minnesota historical society shall designate the center and notify the owner applicant and the regional planning commission of the designation; however, in region 4, the Red River Valley Center at Moorhead is designated; in region 10, the Mississippi Interpretive Center at Winona is designated; in region 9, the Agricultural Interpretive Center at Waseca is designated; in region 3, the Lake Superior Museum of Transportation and Industry is designated; in region 11, the historic Washington County Courthouse at Stillwater is designated.

Subd. 4. [MASTER PLANS.] The owner shall prepare and submit to the regional planning commission a master plan for the development and management of the center, in a format and detail appropriate for the project. The regional planning commission shall choose a project and report its choice to the Minnesota historical society. The Minnesota historical society shall make the master plan available for review and comment by the public and other state agencies for at least 30 days. Copies of the master plan shall be submitted to the state planning agency for review and comment.

Subd. 5. [MASTER PLAN REVIEW AND APPROVAL.] The Minnesota historical society shall review the master plan to determine whether it:

(a) Provides for development of the center in a manner consistent with the purposes of this section;

(b) Recognizes historical values and resources that relate to the area involved;

(c) Provides an historical program based on sound historical research; and,

(d) Meets the requirement of section 138.92. Within 60 days after receipt of a master plan, the Minnesota historical society shall notify the owner that the plan has been reviewed, and forward its recommendations for any changes it might suggest. The owner shall review the recommendations and notify the Minnesota historical society of the disposition made of them. The plan may be approved by the society only after all conditions of this section have been met. The society shall forward all approved master plans to the appropriate regional planning commission and the owner. If the society rejects a project chosen by a regional planning commission the commission may again request applications in accordance with subdivision 2 in the subsequent fiscal year.

Subd. 6. [APPROPRIATION REQUESTS.] The Minnesota historical society may seek appropriations for grant-in-aid

assistance pursuant to this section and sections 16A.10 and 16A.11.

Sec. 91. [SPECIAL GRANTS FOR HOME BASED SERVICES FOR ELDERLY AND ADULT PHYSICALLY IMPAIRED PERSONS.] *Subdivision 1. The commissioner of health may make special grants to local boards of health and to the county board of any county that has not organized a local board of health to provide pre-institutional or post-institutional community based health programs designed to assist elderly and adult physically impaired persons in maintaining an optimal level of functioning and in remaining capable of residing in a family setting or home community. The commissioners of health and public welfare shall collaborate to maximize state and federal money for nursing home pre-admission screening programs. Applicants shall submit for approval an application and budget for the use of the funds in the form specified by the commissioner of health.*

As used in this section, "elderly" means persons aged 60 or over.

Subd. 2. The range of services and programs established by these special grants shall be designed to:

(a) Support families and individuals to avoid premature or inappropriate admission to an institutional care setting;

(b) Provide respite for families and responsible caretakers from continuous care and supervision of elderly and adult physically impaired persons, and to assist caretakers in providing appropriate services;

(c) Maintain or restore elderly and adult physically impaired persons to optimal functional potential and to retard physical and emotional deterioration;

(d) Provide for support and follow up services to persons residing in their own or a family member's home; and

(e) Facilitate appropriate release of elderly and adult physically impaired persons from acute and long term care facilities to family care or to other community based programs.

Subd. 3. Local boards of health and county boards shall not use special grants to replace or substitute for services or programs otherwise funded from other local, state, or federal sources, but shall use special grants only to expand health and health-related supportive social service programs existing on the effective date of this section, or to add programs.

Subd. 4. The commissioner of health shall report and make recommendations to the legislature by January 15, 1981 concerning the implementation of these special grants and the advisability of the integration of the special grant program into the community services subsidy program.

Subd. 5. This section expires July 1, 1981.

Sec. 92. Minnesota Statutes 1978, Section 145.913, Subdivision 3, is amended to read:

Subd. 3. [ADVISORY COMMITTEE.] In each case where a board of health has been assigned the responsibilities of sections 145.911 to 145.922 a single local community health services advisory committee shall be established by the participating county boards or city councils to advise, consult with, or make recommendations to the board of health on matters relating to the development, maintenance, funding, and evaluation of community health services. The committee shall consist of not less than nine members and no more than 21 members. The membership of the advisory committee shall be as follows: at least one-third providers of health services, including at least three licensed health professionals; and at least one-third consumers selected to represent consumers organizations or constituencies within the community, provided, however, that the advisory committee to a county board of health for a county with 300,000 or more persons shall be as follows: at least 51 percent local government officials and the remainder divided equally between providers of health services and consumers. Continuity of membership of each advisory committee shall be assured by having an approximately equal number of terms expire each year. First appointments may be for less than two years, thereafter all terms shall be two years and no member shall serve more than three consecutive terms. Notwithstanding any law to the contrary, members may receive a per diem and be reimbursed for travel and other necessary expenses while engaged in their official duties, as determined by the appointing authority. The committee shall elect officers including a chairman and vice-chairman with terms of one year. The committee shall meet at least (SIX) three times a year and at the call of the chairman or a majority of the members.

Sec. 93. Minnesota Statutes 1978, Chapter 152, is amended by adding a section to read:

[152.21] [THC THERAPEUTIC RESEARCH ACT.] *Subdivision 1. [FINDINGS AND PURPOSE.] The legislature finds that scientific literature indicates promise for delta-9-tetrahydro-cannabinol (THC), the active component of marijuana, in alleviating certain side effects of cancer chemotherapy under strictly controlled medical circumstances.*

The legislature also finds that further research and strictly controlled experimentation regarding the therapeutic use of

THC is necessary and desirable. The intent of this section is to establish an extensive research program to investigate and report on the therapeutic effects of THC under strictly controlled circumstances in compliance with all federal laws and regulations promulgated by the federal food and drug administration, the national institute on drug abuse and the drug enforcement administration. The intent of the legislature is to allow this research program the greatest possible access to qualified cancer patients residing in Minnesota who meet protocol requirements. The establishment of this research program is not intended in any manner whatsoever to condone or promote the illicit recreational use of marijuana.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms shall have the meanings given.

(a) "Commissioner" means the commissioner of health.

(b) "Marijuana" means marijuana as defined in Minnesota Statutes, Section 152.01, Subdivision 9, and delta-9-tetrahydrocannabinol (THC), tetrahydrocannabinols or a chemical derivative of tetrahydrocannabinols, and all species of the genus Cannabis.

(c) "Principal investigator" means the individual responsible for the medical and scientific aspects of the research, development of protocol, and contacting and qualifying the clinical investigators in the state.

(d) "Clinical investigators" means those individuals who conduct the clinical trials.

(e) "Sponsor" means that individual or organization who, acting on behalf of the state, has the total responsibility for the state program.

Subd. 3. [RESEARCH GRANT.] The commissioner of health shall grant funds to the principal investigator selected by the commissioner pursuant to subdivision 4 for the purpose of conducting a research program under a protocol approved by the FDA regarding the therapeutic use of oral THC and other dosage forms, if available, according to the guidelines and requirements of the federal food and drug administration, the drug enforcement administration and the national institute on drug abuse. The commissioner shall ensure that the research principal investigator complies with the requirements of subdivision 5. The commissioner may designate the principal investigator as the sponsor.

The commissioner shall report to the legislature on January 1 of each odd-numbered year on the number of oncologists and patients involved in the program and the results available at that date regarding the effects of therapeutic use of THC on patients

involved in the program. The commissioner shall also report on the current status of THC under the federal Food, Drug and Cosmetic Act and the federal Controlled Substances Act.

Subd. 4. [PRINCIPAL INVESTIGATOR.] Within three months of the effective date of this section, the commissioner shall, in consultation with a representative chosen by the state board of pharmacy and a representative chosen by the state board of medical examiners, select a person or research organization to be the principal investigator of the research program.

Subd. 5. [DUTIES.] The principal investigator shall:

(1) Apply to the Food and Drug Administration for a notice of "Claimed Investigational Exemption for a New Drug (IND)" pursuant to the Federal Food, Drug and Cosmetic Act, 21 U.S.C., Section 301, et seq., and shall comply with all applicable laws and regulations of the federal food and drug administration, the drug enforcement administration, and the national institute on drug abuse in establishing the program;

(2) Notify every oncologist in the state of the program, explain the purposes and requirements of the program to them, provide on request each of them with a copy of the approved protocol which shall include summaries of current papers in medical journals reporting on research concerning the safety, efficacy and appropriate use of THC in alleviating the nausea and emetic effects of cancer chemotherapy, and provide on request each of them with a bibliography of other articles published in medical journals;

(3) Allow each oncologist (clinical investigator) in the state who meets or agrees to meet all applicable federal requirements for investigational new drug research and who so requests to be included in the research program as a clinical investigator to conduct the clinical trials;

(4) Provide explanatory information and assistance to each clinical investigator in understanding the nature of therapeutic use of THC within program requirements, including the Informed Consent Document contained in the protocol, informing and counseling patients involved in the program regarding the appropriate use and the effects of therapeutic use of THC;

(5) Apply to contract with the national institute on drug abuse for receipt of dosage forms of THC, fully characterized as to contents and delivery to the human system, pursuant to regulations promulgated by the national institute on drug abuse, and the federal food and drug administration. The principal investigator shall ensure delivery of the THC dosages to clinical investigators as needed for participation in the program;

(6) Conduct the research program in compliance with federal laws and regulations promulgated by the federal food and drug administration, the drug enforcement administration, the national institute on drug abuse, and the purposes and provisions of this section;

(7) Submit periodic reports as determined by the commissioner on the numbers of oncologists and patients involved in the program and the results of the program;

(8) Submit reports on intermediate or final research results, as appropriate, to the major scientific journals in the United States; and

(9) Otherwise comply with the provisions of this section.

Subd. 6. [EXEMPTION FROM CRIMINAL SANCTIONS.]
For the purposes of this section, the following are not violations listed in sections 152.09 or 152.15:

(1) Use or possession of THC, or both, by a patient in the research program;

(2) Possession, prescribing use of, administering, or dispensing THC, or any combination of these actions, by the principal investigator or by any clinical investigator;

(3) Possession or distribution of THC, or both, by a pharmacy registered to handle Schedule I substances which stores THC on behalf of the principal investigator or a clinical investigator.

THC obtained and distributed pursuant to this section is not subject to forfeiture under Minnesota Statutes, Section 152.19.

For the purposes of this section, THC is removed from Schedule I contained in Minnesota Statutes, Section 152.02, Subdivision 2, and inserted in Schedule II contained in Minnesota Statutes, Section 152.02, Subdivision 3.

Subd. 7. [CITATION.] This section may be cited as the "THC Therapeutic Research Act."

Sec. 94. Minnesota Statutes 1978, Section 155.14, is amended to read:

155.14 [PRACTITIONERS FROM OTHER STATES.]
Subdivision 1. The board may dispense with and waive the examination for license upon the application of any person who is able to furnish documentary evidence and proof of having lawfully practiced in another state, territory, District of Columbia or foreign country for a period of at least two years prior

to the time of such application for license in Minnesota, upon the payment of the fee as set by the board for license as provided in this chapter.

Subd. 2. The board may waive the requirement related to practical experience in this state as specified in section 155.09, subdivision 4, for manager-operators. No waiver shall be allowed, however, unless the following conditions are met:

(a) The applicant has a current valid cosmetology related license from a state, territory, the District of Columbia, or a foreign country that has licensing requirements substantially similar to this state's requirements; and,

(b) The applicant is able to furnish documentary evidence of having lawfully performed as a manager-operator or its equivalent in a state, territory, the District of Columbia, or foreign country for a period of at least two years, one year of which was within the two years immediately preceding the date of application.

Nothing in this subdivision prohibits the board from requiring an examination for license of a manager-operator even if the board waives the requirement of practical experience in this state.

Sec. 95. Minnesota Statutes 1978, Section 168.66, Subdivision 4, is amended to read:

Subd. 4. "Retail installment contract" means any agreement, entered into in this state, evidencing a retail installment sale of a motor vehicle, other than for the purpose of re-sale, *when purchased primarily for personal, family or household use, pursuant to which title to, or a lien upon the motor vehicle is retained by the retail seller as security for the retail buyer's obligation. This term includes a mortgage, conditional sale contract, or any contract for the bailment or leasing of a motor vehicle by which the bailee or lessee contracts to pay as compensation for its use a sum substantially equivalent to the time sale price of the motor vehicle and by which it is agreed that the bailee or lessee is bound to become, or has the option of becoming, the owner of such motor vehicle. "Retail installment contract" does not include any agreement, entered into in this state, evidencing an installment sale of a motor vehicle purchased primarily for use in business. For purposes of this subdivision, "business" means a commercial or industrial enterprise which is carried on for the purpose of active or passive investment or profit.*

Sec. 96. Minnesota Statutes 1978, Section 174.03, is amended by adding a subdivision to read:

Subd. 5a. [BIENNIAL REQUEST.] The metropolitan transit commission shall submit all biennial legislative funding requests to the commissioner of transportation for informal review. The commissioner shall determine whether the funding request is consistent with the statewide transportation plan and whether further review of the request by the metropolitan transit commission is necessary. The metropolitan transit commission shall be informed of the commissioner's comments and recommendations in writing, and shall have the opportunity to amend the request. The funding request, as amended, shall then be presented by the commissioner to the legislature along with the commissioner's final comments and recommendations.

Sec. 97. Minnesota Statutes, 1979 Supplement, Section 174.28, Subdivision 2, is amended to read:

Subd. 2. [BASIS AND FORM OF CONTRACT.] Pursuant to the public transit subsidy program the commissioner shall enter one or more contracts with the commission to pay amounts sufficient to provide the commission with a subsidy per passenger of 46.04 cents in the last half of calendar year 1979, 46.74 cents in calendar year 1980, and 48.34 cents in the first half of calendar year 1981 and thereafter. The commissioner of transportation shall investigate to determine if the metropolitan transit commission has experienced extraordinary increases in fuel, labor, or other operational costs which necessitate an adjustment in the subsidy per passenger. If the commissioner determines that an additional subsidy is required, the subsidy per passenger may be adjusted to pay the increased costs.

Sec. 98. Minnesota Statutes, 1979 Supplement, Section 180.03, Subdivision 2, is amended to read:

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, crushed rock 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 9 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 November 1, 1979, and before March 1, 1980, the fencing shall be erected as soon as possible after March 1, 1980. Where mining operations cease on or after March 1, 1980, 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 November 1, 1979, and not resumed, the fencing shall

be erected within (TWO) *three* years after November 1, 1979. 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 or exempted from its application by the county mine inspector pursuant to subdivision 4.

Sec. 99. Minnesota Statutes 1978, Section 197.75, Subdivision 1, is amended to read:

197.75 [EXPENDITURES, LIMITATION.] Subdivision 1. The commissioner of veterans affairs shall spend a biennial appropriation for tuition of soldiers, and for tuition, fees, board, room, books and supplies of the children of soldiers who have died as a result of their service in the military or naval forces of the United States as determined by the United States Veterans Administration or other instrumentality of the United States, in the University of Minnesota, a state university, a community college, or any other university of higher learning within the state accredited by the North Central Association of Colleges and Secondary Schools, a law college approved by the supreme court, a nursing school approved by the state nurses examining board, or in a trade school in the state which may be approved by the state department of education, or in a theological seminary, for any course which such soldier or child may elect. Not more than (\$250) \$350 shall be expended for the benefit of any individual soldier, and not more than (\$250) \$350 in any calendar year shall be expended for the benefit of any child under this section, and that need therefor shall be established and determined by the commissioner of veterans affairs. No child of any soldier shall make application for the benefits provided herein unless such child shall have resided in Minnesota for at least two years immediately prior to the date of said application. Children of soldiers eligible for benefits hereunder shall be admitted to state institutions of university grade free of tuition. Payments of tuition as provided for herein shall be made by the commissioner of veterans affairs directly to the institution in which the course of instruction is given upon such conditions as shall be imposed by the commissioner of veterans affairs.

Sec. 100. Minnesota Statutes 1978, Section 214.06, Subdivision 1, is amended to read:

214.06 [FEES; LICENSE RENEWALS.] Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health related licensing boards and all non-health related licensing boards may by rule, with the approval of the commissioner of finance, adjust any fee which the board is empowered to assess a sufficient amount so that the total fees collected by each board will as

closely as possible equal anticipated expenditures during the fiscal biennium. Examination fees, if any, shall be set by rule so that the total amount of annual examination fee income approximately meets the anticipated cost of administering the examinations during the fiscal biennium. *Fee adjustments authorized under this subdivision may be made without a public hearing when the total fees will not exceed the amount of the direct appropriation.* All fees received shall be deposited with the state treasurer and credited to the general fund.

Sec. 101. [NAME CHANGE; TRANSFER OF FUNCTIONS.] *The name of the public service commission is changed to the public utilities commission. Subject to the provisions of this act and other applicable laws, the public utilities commission and the department of public service shall continue to exercise all the powers and duties vested in, or imposed upon them, as existing and constituted immediately prior to the effective date of this act.*

Sec. 102. Minnesota Statutes 1978, Section 216.16, is amended to read:

216.16 [HEARINGS BEFORE PUBLIC UTILITIES COMMISSION.] If the matter be not adjusted to the satisfaction of the (DEPARTMENT) *commission*, it shall set a time and place of hearing, and give at least ten days notice thereof to each party. The parties may appear either in person or by attorney. The (DEPARTMENT) *commission* shall hear evidence and otherwise investigate the matter, make findings of fact upon all matters involved, and such order or recommendation in the premises as may be just. A copy of such findings and order or recommendation shall forthwith be served upon each party. No proceedings shall be dismissed on account of want of pecuniary interest in the complaint. (THE DEPARTMENT IS AUTHORIZED TO DESIGNATE BY RESOLUTION ANY OF ITS EMPLOYEES TO RECEIVE AND REPORT EVIDENCE. EMPLOYEES SO DESIGNATED SHALL HAVE POWER TO ADMINISTER OATHS TO WITNESSES, EXAMINE WITNESSES, AND RECEIVE EVIDENCE. IN ANY PROCEEDINGS IN WHICH THE EVIDENCE IS RECEIVED BY ONE COMMISSIONER OR BY AN EMPLOYEE SO DESIGNATED, SUCH COMMISSIONER OR EMPLOYEE SHALL MAKE A FULL AND COMPLETE REPORT THEREOF TO THE DEPARTMENT AND THE DEPARTMENT SHALL PROCEED TO A DETERMINATION OF THE FACTS AND ISSUE ITS ORDER OR RECOMMENDATION AS HEREINABOVE PROVIDED.)

Sec. 103. Minnesota Statutes 1978, Section 216A.01, is amended to read:

216A.01 [ESTABLISHMENT OF DEPARTMENT AND COMMISSION.] *There (IS) are hereby created and estab-*

lished the department of public service (TO CONSIST OF TWO BRANCHES), and the public (SERVICE) utilities commission (AND THE ADMINISTRATIVE DIVISION). The department of public service shall have and possess all of the rights and powers and perform all of the duties vested in it by this chapter (, AND, IMMEDIATELY PRIOR TO ENACTMENT OF SAID CHAPTER,). *The public utilities commission shall have and possess all of the rights and powers and perform all of the duties vested in it by this chapter, and those formerly vested by law in the railroad and warehouse commission.*

Sec. 104. Minnesota Statutes 1978, Section 216A.03, Subdivision 3, is amended to read:

Subd. 3. [CHAIRMAN.] The commission shall elect one of their number chairman *at the meeting of the commission in the second week in January of each year for a term of one year.*

If a vacancy occurs in the position of chairman, the commission shall elect a new chairman to complete the unexpired term.

Sec. 105. Minnesota Statutes 1978, Section 216A.03, is amended by adding a subdivision to read:

Subd. 3a. [POWERS AND DUTIES OF THE CHAIRMAN.] *The chairman shall be the principal executive officer of the commission. He shall preside at meetings of the commission. The chairman shall organize the work of the commission and may make assignments to commission members, appoint committees and give direction to the commission staff through the executive secretary subject to the approval of the commission.*

Sec. 106. Minnesota Statutes 1978, Section 216A.04, Subdivision 1, is amended to read:

216A.04 [EXECUTIVE SECRETARY; EMPLOYEES.] Subdivision 1. [SELECTION OF EXECUTIVE SECRETARY.] The commission shall appoint (A) *an executive secretary, not a member, who shall be in the unclassified service of the state and shall serve at the pleasure of the commission (, EXCEPT THAT THE SECRETARY NOW SERVING THE RAILROAD AND WAREHOUSE COMMISSION SHALL CONTINUE AS SECRETARY IN THE CLASSIFIED SERVICE).* (HE) *The executive secretary shall take, subscribe and file an oath similar to that required of the commissioners (, HE SHALL BE CHARGED WITH KEEPING FULL AND CORRECT RECORDS OF ALL TRANSACTIONS AND PROCEEDINGS OF THE COMMISSION, HAVE THE POWER TO ADMINISTER OATHS, AND PERFORM SUCH OTHER DUTIES AS MAY BE PRESCRIBED BY THE COMMISSION. HE SHALL BE THE OFFICIAL CUSTODIAN OF THE RECORDS AND SEAL OF THE COMMISSION), and shall be subject to the same disqualifications as commissioners.*

Sec. 107. Minnesota Statutes 1978, Section 216A.04, is amended by adding a subdivision to read:

Subd. 1a. [POWERS AND DUTIES OF THE EXECUTIVE SECRETARY.] The executive secretary shall:

(1) Cause to be kept full and correct records of all transactions and proceedings of the commission;

(2) Appoint, subject to chapter 43 and the approval of the commission, all other classified employees of the commission and supervise and direct their activities;

(3) Have custody of the seal of the commission;

(4) Serve as the administrative officer of the commission with responsibility for personnel, budget and other administrative details related to the work of the commission or as required by state law;

(5) Prepare orders, reports, and other materials as assigned by the commission and recommend to the commission such measures as may be appropriate to achieve the objectives of the commission;

(6) Advise the commission of its financial position and recommend a budget for its approval; and

(7) Perform other duties as the commission directs.

Sec. 108. Minnesota Statutes 1978, Section 216A.04, Subdivision 3, is amended to read:

Subd. 3. [OFFICERS AND EMPLOYEES.] The commission may employ one unclassified employee in addition to the executive secretary to serve at the pleasure of the commission. The commission may employ such other (ASSISTANTS) persons as may be necessary to carry out its functions, (INCLUDING HEARING OFFICERS AND REPORTERS,) within the funds provided therefor from time to time. (THE COMMISSIONERS INDIVIDUALLY MAY ACT AS HEARING OFFICERS.)

Hearing reporters may provide transcripts of proceedings before the commission to persons requesting transcripts who pay a reasonable charge therefor to the reporter. The amount of the charge shall be fixed by the commission and retained by the reporter, any other law to the contrary notwithstanding.

Sec. 109. Minnesota Statutes 1978, Section 216A.05, Subdivision 4, is amended to read:

Subd. 4. [PERFORMANCE OF FUNCTIONS OF PUBLIC UTILITIES COMMISSION.] The commission shall exercise each and every legislative function imposed by law on (THE DEPARTMENT OF PUBLIC SERVICE) *it*.

Sec. 110. Minnesota Statutes 1978, Section 216A.05, Subdivision 5, is amended to read:

Subd. 5. [HEARINGS UPON PETITIONS.] With respect to those matters within its jurisdiction the commission shall receive, hear and determine (WITHIN SIX MONTHS) all petitions filed with it in accordance with the (PROCEDURES ESTABLISHED BY LAW) *rules of practice and procedure promulgated by the commission*, and may investigate, hold hearings and make determinations upon its own motion to the same extent, and in every instance, in which it may do so upon petition. Upon receiving petitions filed pursuant to sections 221.061, 221.081, 221.121, subdivision 1, 221.151, 221.296, and 221.55, the commission shall give notice of the filing of the petition to representatives of associations or other interested groups or persons who have registered their names with the (DIRECTOR OF THE DEPARTMENT) *executive secretary* for that purpose and to whomever he deems to be interested in the petition. The commission may grant or deny the request of the petition 30 days after notice of the filing has been fully given. If the commission receives a written objection and a notice of intent to appear at a hearing to object to the petition from any person within 20 days of the notice having been fully given, the request of the petition shall be granted or denied only after a contested case hearing has been conducted on the petition, unless the objection is withdrawn prior to the hearing. The commission may elect to hold a contested case hearing if no objections to the petition are received. If a timely objection is not received, or if received and withdrawn, and the request of the petition is denied without hearing, the petitioner may request within 30 days of receiving the notice of denial, and shall be granted, a contested case hearing on the petition.

Sec. 111. Minnesota Statutes 1978, Section 216A.07, is amended to read:

216A.07 [DIRECTOR; POWERS AND DUTIES.] *Subdivision 1.* The director shall be the executive and administrative head of the public service department. He shall have and possess all the rights and powers and perform all the duties relating to the administrative function of the department as set forth in this chapter. The director may:

(1) Prepare all forms or blanks for the purpose of obtaining information which he may deem necessary or useful in the proper exercise of his authority and duties in connection with regulated businesses;

(2) Prescribe the time and manner within which forms or blanks shall be filed with the department;

(3) Inspect at all reasonable times, and copy the books, records, memoranda and correspondence or other documents and records of any person relating to any regulated business; and

(4) Cause the deposition to be taken of any person concerning the business and affairs of any business regulated by the department. Information sought through said deposition shall be for a lawfully authorized purpose and shall be relevant and material to the investigation or hearing before the commission. Information obtained from said deposition shall be used by the department only for a lawfully authorized purpose and pursuant to powers and responsibilities conferred upon the department. Said deposition is to be taken in the manner prescribed by law for taking depositions in civil actions in the district court.

Subd. 2. [ENFORCEMENT.] The director is responsible for the enforcement of chapters 216A, 216B and 237 and the orders of the commission issued pursuant to those chapters.

Subd. 3. [INTERVENTION IN PROCEEDINGS.] The director may intervene as a party in all proceedings before the commission. The attorney general shall act as counsel in the proceedings.

Subd. 4. [INVESTIGATIONS.] The director may, on his own initiative, investigate any matter subject to the jurisdiction of the department or commission.

Subd. 5. [RULEMAKING.] The director shall make substantive and procedural rules to implement the provisions of chapters 216A, 216B and 237. Rules adopted under this authority shall be promulgated pursuant to the administrative procedure act and shall have the force and effect of law.

Sec. 112. Minnesota Statutes 1978, Chapter 216A, is amended by adding a section to read:

[216A.095] [COOPERATION BETWEEN DEPARTMENT AND COMMISSION.] *Nothing in chapter 216A prevents the department or the commission from entering into agreements with each other or with other agencies to coordinate and share services, to conduct joint projects or investigations on matters within the authority and jurisdiction of the parties thereto, or to temporarily assign staff to projects requested by each other or by other agencies. The cooperative agreements may provide for the sharing of costs between the parties thereto or the reimbursement of the department or commission operating budget for expenditures made on behalf of the department or commission or agency. No cooperative effort shall interfere*

with the independence and integrity of either the commission or the department or any other agency that is a party.

Sec. 113. Minnesota Statutes 1978, Section 216B.17, Subdivision 1, is amended to read:

216B.17 [COMPLAINTS.] Subdivision 1. On its own motion or upon a complaint made against any public utility, by the governing body of any political subdivision, by another public utility, *by the department*, or by any 50 consumers of the particular utility that any of the rates, tolls, tariffs, charges, or schedules or any joint rate or any regulation, measurement, practice, act or omission affecting or relating to the production, transmission, delivery or furnishing of natural gas or electricity or any service in connection therewith is in any respect unreasonable, insufficient or unjustly discriminatory, or that any service is inadequate or cannot be obtained, the commission shall proceed, with notice, to make such investigation as it may deem necessary. The commission may dismiss any complaint without a hearing if in its opinion a hearing is not in the public interest.

Sec. 114. Minnesota Statutes 1978, Section 216B.19, is amended to read:

216B.19 [JOINT HEARINGS AND INVESTIGATIONS.] In the discharge of its duties under Laws 1974, Chapter 429, the commission *or the department* may cooperate with similar commissions of other states and any federal agency and may hold joint hearings and make joint investigations with other commissions.

Sec. 115. Minnesota Statutes 1978, Section 216B.54, is amended to read:

216B.54 [ACTIONS BY COMMISSION OR DEPARTMENT; ATTORNEY GENERAL TO INSTITUTE.] Whenever the commission *or department* shall be of the opinion that any person or public utility is failing or omitting or is about to fail or omit to do anything required of it by Laws 1974, Chapter 429 or by any order of the commission, or is doing anything or about to do anything, or permitting anything or about to permit anything to be done, contrary to or in violation of Laws 1974, Chapter 429 or of any order of the commission, it shall refer the matter to the attorney general who shall take appropriate legal action.

Sec. 116. Minnesota Statutes 1978, Section 216B.62, is amended to read:

216B.62 [COST OF EXAMINATION; ASSESSMENT OF EXPENSES; LIMITATIONS; OBJECTIONS.] Subdivision 1. Immediately after the passage and adoption of Laws 1974, Chap-

ter 429, the commission shall assess to all public utilities subject to the provisions of Laws 1974, Chapter 429 in proportion to their respective gross operating revenues, as hereinafter defined, during the preceding calendar year, the sum of \$300,000. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed, by certified mail, to the several public utilities, which shall constitute notice of said assessment and demand of payment thereof.

Subd. 2. Whenever the commission *or department*, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary, in order to carry out the duties imposed by Laws 1974, Chapter 429, to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any public utility, or to render any engineering or accounting services to any public utility, the public utility shall pay the expenses reasonably attributable to the investigation, appraisal, or service. The commission *and department* shall ascertain the expenses, and the department shall render a bill therefor to the public utility, either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of the assessment and a demand for payment. The amount of the bills so rendered by the department shall be paid by the public utility into the state treasury within 30 days from the date of rendition. The total amount, in any one calendar year, for which any public utility shall become liable, by reason of costs incurred by the commission within that calendar year, shall not exceed two-fifths of one percent of the gross operating revenue from retail sales of gas, or electric service by the public utility within the state in the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred within any calendar year which are in excess of two-fifths of one percent of the gross operating revenues, the excess costs shall not be chargeable as part of the remainder under subdivision 3, but shall be paid out of the general appropriation to the department *and commission*. In the case of public utilities offering more than one public utility service only the gross operating revenues from the public utility service in connection with which the investigation is being conducted shall be considered when determining this limitation.

Subd. 3. The department *and commission* shall annually, within 90 days after the close of each fiscal year, ascertain the total of (ITS) *their* expenditures to the performance of (ITS) *their* duties relating to public utilities under Laws 1974, Chapter 429, and shall deduct therefrom all amounts chargeable to public utilities under subdivision 2. The remainder shall be assessed by the commission *and department* to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount

which may be assessed to the public utilities, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross operating revenues of the public utilities during such calendar year from retail sales of gas or electric service within the state.

Subd. 4. Within 30 days after the date of the mailing of any bill as provided by subdivisions 2 and 3, the public utility against which the bill has been rendered may file with the commission objections setting out the grounds upon which it is claimed the bill is excessive, erroneous, unlawful or invalid. The commission shall within 60 days hold a hearing and issue an order in accordance with its findings. The order shall be appealable in the same manner as other final orders of the commission.

Subd. 5. The commission *and department* shall be authorized to charge cooperative electric associations their proportionate share of the expenses incurred in the adjudication of service area disputes and all of the costs incurred in the adjudication of complaints over service standards and practices. 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.

Sec. 117. Minnesota Statutes 1978, Section 216B.64, is amended to read:

216B.64 [ATTORNEY GENERAL TO REPRESENT COMMISSION AND DEPARTMENT.] The attorney general of the state shall, upon request of the commission *or department*, represent and appear for the commission *or department* in all actions and proceedings involving any question under Laws 1974, Chapter 429, and shall aid in any investigation or hearing had under the provisions of Laws 1974, Chapter 429. The attorney general shall perform all duties and services in connection with Laws 1974, Chapter 429 and the enforcement thereof as the commission *or department* may require. He shall also bring all actions to collect penalties herein provided.

Sec. 118. Minnesota Statutes 1978, Section 237.02, is amended to read:

237.02 [UNDER DEPARTMENT OF PUBLIC SERVICE AND PUBLIC UTILITIES COMMISSION.] The department of public service *and the public utilities commission*, now existing under the laws of this state, (IS) *are* hereby vested with the same jurisdiction and supervisory power over telephone companies doing business in this state as it now has over railroad and express companies (; AND, WHEREVER THE TERM "DEPARTMENT" IS USED IN THIS CHAPTER, IT SHALL MEAN THE DEPARTMENT OF PUBLIC SERVICE): *The definitions set forth in section 216A.02 shall apply also to chapter 237.*

Sec. 119. Minnesota Statutes 1978, Section 237.12, is amended to read:

237.12 [CONNECTIONS BETWEEN TELEPHONE COMPANIES DISCONTINUED ONLY ON ORDER.] When public convenience requires the same, every telephone company shall, for a reasonable compensation, permit a physical connection or connections to be made, and telephone service to be furnished between any telephone exchange system operated by it, and the telephone toll line or lines operated by another company, or between its telephone toll line or lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another company, whenever such physical connection or connections are practicable and will not result in irreparable injury to the telephone system so compelled to be connected. The term "physical connection," as used in this section, means such number of trunk lines or complete wire circuits and connections as may be required to furnish reasonable and adequate service between such telephone lines and exchanges and shall not be deemed to provide for any connection whereby one line or circuit is to be bridged upon another line or circuit. In case of failure of the telephone companies concerned to allow or agree upon such physical connection or connections, or the terms and conditions upon which the same shall be made, application may be made to the department for an order requiring such connection and fixing the compensation, terms and conditions thereof, and if after investigation and hearing the department shall find that such physical connections will not result in irreparable injury to such telephone properties, it shall by order direct that such connections be made, and prescribe reasonable conditions and compensation therefor and for the joint use thereof, and by whom the expense of making and maintaining such connection or connections shall be paid. When application is made to the department requesting physical connection it shall be presumed that such connection is necessary, and that the public convenience will be promoted thereby, and the burden of overcoming such presumption shall be upon the party resisting such application. The telephone companies so connecting shall give service over the connecting line or lines without preference to or discrimination against any service or telephone company whatever.

Wherever a physical connection or connections exist between any telephone exchange system operated by a telephone company and the toll line or lines operated by another telephone company or between its toll line or lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another telephone company, neither of the companies shall cause such connection to be severed or the service between the companies to be discontinued without first obtaining an order from the department upon an application for permission to discontinue such physical connection. Upon the filing of an application for discontinuance of such a connection, the department shall investigate and ascertain whether public convenience re-

quires the continuance of such physical connection, and if the department so finds, *the commission* shall fix the compensation, terms and conditions of the continuance of the physical connection and service between the telephone companies.

Sec. 120. Minnesota Statutes 1978, Section 237.295, Subdivision 1, is amended to read:

237.295 [COST OF EXAMINATION; ASSESSMENT OF EXPENSES; LIMITATION; OBJECTIONS.] Subdivision 1. Whenever the department *or commission*, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary in order to carry out the duties imposed on it to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any telephone company, or to render any engineering or accounting services to any telephone company, the telephone company shall pay the expenses reasonably attributable to the investigation, appraisal, or service. The department *and commission* shall ascertain the expenses, and *the department* shall render a bill therefor to the telephone company, either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of the assessment and a demand for payment. The amount of the bills so assessed by the department shall be paid by the telephone company into the state treasury within 30 days from the date of assessment. The total amount, in any one calendar year, for which any telephone company shall become liable, by reason of costs incurred by the department *and commission* within that calendar year, shall not exceed two-fifths of one percent of the gross jurisdictional operating revenue of the telephone company in the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred within any calendar year which are in excess of two-fifths of one percent of the gross jurisdictional operating revenues, the excess costs shall not be chargeable as part of the remainder under subdivision 2, but shall be paid out of the general appropriation of the department.

Sec. 121. Minnesota Statutes 1978, Section 237.295, Subdivision 2, is amended to read:

Subd. 2. The department *and commission* shall annually, within 90 days after the close of each fiscal year, ascertain the total of its expenditures to the performance of its duties relating to telephone companies, and shall deduct therefrom all amounts chargeable to telephone companies under subdivision 1. The remainder shall be assessed by the department to the several telephone companies in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several telephone companies, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the

telephone companies, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during such calendar year.

Sec. 122. [TRANSFER OF COMPLEMENT, FUNDS, EQUIPMENT.] *The unencumbered balances of appropriations made to the department of public service for the commission support division by Laws 1979, Chapter 333, Section 37, are transferred to the public utilities commission. The commissioner of finance shall determine the amounts to be transferred.*

Twenty-four positions in the public service department used to staff the commission support division are transferred to the public utilities commission and the complement of the department of public service is reduced by that number.

Nothing herein shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the terms of an agreement between an exclusive representative of public employees and the state or of its appointing authorities.

The commissioner of finance and commissioner of personnel shall transfer the budget, position, and employees referenced above and any accrued benefits pertaining thereto to the public utilities commission.

All equipment, furnishings, and supplies presently used by the commission support division and any contractual arrangements for telephone service, office space or other matters related to the operation of the division are transferred to the public utilities commission.

Sec. 123. [INSTRUCTION TO REVISOR.] *Insofar as possible, the revisor of statutes shall substitute the term "public utilities commission" for the term "public service commission" in the next and subsequent editions of Minnesota Statutes consistently with the provisions of this act. The revisor may make related changes in grammar and punctuation, but shall not change the meaning of any provision except consistently with this act.*

Insofar as possible, the revisor of statutes shall substitute the term "commission" for the term "department" wherever it appears in sections 216.10, 216.13, 216.14, 216.16, 216.161, 216.17, 216.18, 216.24, 216.25, 216.26, 216.27, 216.271, 237.10, 237.16, 237.18, 237.20, 237.21, 237.22, 237.23, 237.24, 237.25, 237.26, 237.27 and 237.28 of the next and subsequent editions of Minnesota Statutes consistently with the provisions of this act. The revisor may make related changes in grammar and punctuation, but shall not change the meaning of any provision except consistently with this act.

Sec. 124. Minnesota Statutes 1978, Section 238.08, is amended by adding a subdivision to read:

Subd. 5. Municipalities may by ordinance or resolution create a joint cable communications commission under section 471.59, to which each member municipality may delegate authority vested in the municipality by statute or charter to prepare, adopt, grant, administer, and enforce a cable communications franchise, and establish rates thereunder. The adoption, granting, administration and enforcement of a cable communications franchise, and the establishment of rates thereunder by a joint cable communications commission, pursuant to this subdivision is deemed to comply with procedural requirements of a statute or charter for the adoption, granting, administration and enforcement of a franchise, and establishment of rates. The members and governing body of the joint commission shall consist of two representatives appointed by each municipality, at least one of whom shall be a member of the council of that municipality and the other a qualified voter residing within that municipality.

Sec. 125. Minnesota Statutes 1978, Section 245.814, is amended to read:

245.814 [LIABILITY INSURANCE FOR FOSTER PARENTS.] The commissioner of public welfare shall within the appropriation provided purchase and provide insurance to foster parents to cover their liability for:

- (1) injuries or property damage caused or sustained by foster children in their home; and
- (2) actions arising out of alienation of affections sustained by the natural parents of a foster child.

Coverage shall apply to all foster boarding homes licensed by the department of public welfare, *licensed by a federally recognized tribal government*, or established by the juvenile court and certified by the commissioner of corrections pursuant to section 260.185, subdivision 1, clause (c) (5), to the extent that the liability is not covered by the provisions of the standard homeowner's or automobile insurance policy. The insurance shall not cover property owned by the foster parents, damage caused intentionally by a child over 12 years of age, or property damage arising out of business pursuits or the operation of any vehicle, machinery, or equipment.

Sec. 126. Minnesota Statutes 1978, Section 246.014, is amended to read:

246.014 [SERVICES.] The measure of services established and prescribed by section 246.012, are:

- (1) There shall be served in state hospitals a single standard of food for patients and employees alike, which is nutritious and palatable together with special diets as prescribed by

the medical staff thereof. There shall be a chief dietitian in the department of public welfare and at least one dietitian at each state hospital. There shall be adequate staff and equipment for processing, preparation, distribution and serving of food.

(2) There shall be a staff of persons, professional and lay, sufficient in number, trained in the diagnosis, care and treatment of the mentally ill, physical illness, and including religious and spiritual counsel through qualified chaplains (who shall be in the unclassified service) adequate to take advantage of and put into practice modern methods of psychiatry, medicine and related field.

(3) There shall be a staff and facilities to provide occupational and recreational therapy, entertainment and other creative activities as are consistent with modern methods of treatment and well being.

(4) There shall be in each state hospital for the care and treatment of the mentally ill facilities for the segregation and treatment of patients who have communicable disease.

(5) The commissioner of public welfare shall provide modern and adequate psychiatric social case work service.

(6) The commissioner of public welfare shall make every effort to improve the accommodations for patients so that the same shall be comfortable and attractive with adequate furnishings, clothing, and supplies.

(7) The commissioner of public welfare shall establish training programs for the training of personnel and may require the participation of personnel in such programs. Within the limits of the appropriations available he may establish professional training programs in the forms of educational stipends for positions for which there is a scarcity of applicants.

(8) There shall be a separate hospital for the diagnosis, care and treatment of the mentally ill who have tuberculosis which shall conform to the standards established for the diagnosis, care and treatment of physical disease. Pending construction of such separate hospital, one of the present state hospitals, or so much thereof as may be necessary, shall be set apart for the diagnosis, care and treatment of the mentally ill who have tuberculosis and shall be staffed and equipped to meet the accepted requirements of modern medicine for the care and treatment of persons afflicted with tuberculosis.

(9) The standards herein established shall be adapted and applied to the diagnosis, care and treatment of inebriate persons and mentally deficient persons who come within those terms as defined in the laws relating to the hospitalization and commit-

ment of such persons, and of persons who are psychopathic personalities within the definition thereof in Minnesota Statutes 1945, Section 526.09.

(10) The commissioner of public welfare shall establish a program of detection, diagnosis and treatment of mentally or nervously ill persons and persons described in paragraph (9), and within the limits of appropriations may establish clinics and staff the same with persons specially trained in psychiatry and related fields.

(11) The commissioner of personnel (AND THE PERSONNEL BOARD) may reclassify employees of the mental institutions from time to time, and assign classifications to such salary brackets as will adequately compensate personnel and reasonably assure a continuity of adequate staff.

(12) In addition to the chaplaincy services, provided in (2), the commissioner of public welfare shall open said institutions to ministers of the Gospel to the end that religious and spiritual counsel and services are made available to the patients therein, and shall cooperate with all ministers of the Gospel in making said patients available for religious and spiritual counsel, and shall provide such ministers of the Gospel with meals and accommodations.

(13) Within the limits of the appropriations therefor, the commissioner of public welfare shall establish and provide facilities and equipment for research and study in the field of modern hospital management, the causes of mental and related illness and the treatment, diagnosis and care of the mentally ill and funds provided therefor may be used to make available services, abilities and advice of leaders in these and related field, and may provide them with meals and accommodations and compensate them for traveling expenses and services.

Sec. 127. Minnesota Statutes 1978, Chapter 246, is amended by adding a section to read:

[246.022] [STATE HOSPITAL PLANNING COMMITTEES.] *Subdivision 1. [APPOINTMENT.] The commissioner may appoint for each state hospital a hospital planning committee that includes, but is not limited to, the chief executive officer of each state institution appointed pursuant to section 246.02, representatives of the professional staff and human services technicians and of other staff as the chief executive officer deems appropriate, representatives of the patients served in the institution, and representatives of the counties served by the institution.*

Subd. 2. [DUTIES OF COMMITTEE.] The hospital planning committee of each state institution may present recommendations on such matters as:

(a) *Setting measurable goals and objectives for the management and service programs of the institution;*

(b) *Identifying the capital, staff and financial resources needed to attain the goals and objectives established; and*

(c) *Adopting a method, approved by the commissioner, whereby the degree of attainment of the established goals and objectives may be evaluated.*

Subd. 3. [COMMISSIONER'S RESPONSIBILITY.] Within the appropriations available, the commissioner of public welfare shall provide technical assistance to each hospital planning committee in the performance of its duties.

Subd. 4. [BIENNIAL PLAN.] Each hospital planning committee shall submit to the commissioner a biennial report to be included in the report to the governor and legislature prepared pursuant to section 246.06. The commissioner shall establish schedules for submission of hospital planning committee plans so that each plan is substantially reflected in the biennial estimates prepared pursuant to section 246.12.

Sec. 128. Minnesota Statutes 1978, Chapter 253A, is amended by adding a section to read:

[253A.22] [MENTAL EVALUATIONS OF DEFENDANTS; DESIGNATION OF HOSPITAL BY COMMISSIONER OF PUBLIC WELFARE.] *Subdivision 1. In any of the following specified stages of the criminal process involving a court ordered mental evaluation, the court shall order confinement or continuing confinement to the state mental hospital the commissioner of public welfare designates as appropriate, or to another suitable hospital or facility.*

(a) *Under Rule 20.01 of the Minnesota rules of criminal procedure relating to a defendant's competency to understand the proceedings and participate in his own defense:*

(1) *During the initial mental evaluation confinement period ordered by the criminal court to determine competency to proceed;*

(2) *If the defendant is found not competent to proceed by the criminal court, during the interim confinement period prior to commencement of civil commitment proceedings in the civil commitment court; and*

(3) *If the defendant is found to be mentally ill or mentally ill and dangerous and in need of further hospitalization by the civil commitment court, during the confinement period in which*

the defendant is under civil commitment subject to supervision by the court.

(b) Under Rule 20.02 of the Minnesota rules of criminal procedure relating to an assertion of the defense of mental illness:

(1) During the initial mental evaluation confinement period ordered by the court to determine the defendant's mental condition;

(2) If the defendant is found not guilty by reason of mental illness, during the interim confinement period prior to commencement of civil commitment proceedings in the civil commitment court; and

(3) If the defendant is found to be mentally ill or mentally ill and dangerous by the civil commitment court, during the confinement period during which the defendant is under civil commitment subject to supervision by the criminal court.

(c) Under Rule 27 of the Minnesota rules of criminal procedure relating to presentence investigations of defendants convicted of crimes when the court orders the defendant to submit to a mental evaluation, during any confinement period necessary for the evaluation.

Subd. 2. When in accordance with section 246.43 or other law a court orders a defendant to submit to a mental evaluation, the court may order confinement or continuing confinement to the state mental hospital the commissioner designates as appropriate, or to another suitable hospital or facility.

Sec. 129. Minnesota Statutes 1978, Chapter 256, is amended by adding a section to read:

[256.012] [MINNESOTA MERIT SYSTEM.] *The commissioner of public welfare shall promulgate by rule personnel standards on a merit basis in accordance with federal standards for a merit system of personnel administration for all employees of county boards engaged in the administration of community social services or income maintenance programs, all employees of human services boards that have adopted the rules of the Minnesota Merit System, and all employees of county welfare boards.*

Excluded from the rules are employees of institutions and hospitals under the jurisdiction of the aforementioned boards; employees of county personnel systems otherwise provided for by law that meet federal merit system requirements; duly appointed or elected members of the aforementioned boards; and the director of community social services and employees in positions that, upon the request of the appointing authority, the

commissioner in his discretion exempts, provided the exemption accords with the federal standards for a merit system of personnel administration.

Sec. 130. Minnesota Statutes 1978, Section 256.73, Subdivision 2, is amended to read:

Subd. 2. [ALLOWANCE BARRED BY OWNERSHIP OF PROPERTY.] *Except as provided in clause (3), the ownership by father, mother, child, children, or any combination thereof, of property as follows shall be a bar to any allowance under sections 256.72 to 256.87:*

(1) (NET EQUITY IN REAL ESTATE USED AS A HOME WHICH EXCEEDS \$15,000; PROVIDED THAT REAL ESTATE USED AS A HOME IN EXCESS OF THIS AMOUNT WILL NOT BE A BAR TO ELIGIBILITY WHERE THE COUNTY WELFARE BOARD DETERMINES THAT SUCH REAL ESTATE IS NOT AVAILABLE FOR SUPPORT OF THE FAMILY OR THE SALE OF SUCH REAL ESTATE WOULD CAUSE UNDUE HARDSHIP.) *Real property other than the homestead, except as described in clause (3); or*

(2) Personal property of a reasonable market value in excess of (\$300) \$600 for a one child recipient or (\$500) \$1,000 for more than one child recipient, exclusive of personal property used as the home, one automobile (THE MARKET VALUE OF WHICH DOES NOT EXCEED \$1,650), insurance carried by a parent which does not exceed a cash surrender value of \$500, clothing and necessary household furniture and equipment, the earnings of a dependent child which are placed in a savings account to be used for a future purpose approved by the county agency in accordance with the rules (AND REGULATIONS) of the commissioner of public welfare, and such property that produces a net income applicable to the family's needs (; OR).

(3) Real estate not used as a home which produces net income applicable to the family's needs or which the family is making a continuing effort to sell at a fair and reasonable price shall not be a bar to an allowance under sections 256.72 to 256.87. Net income shall be the residue after payment from gross income of taxes, insurance, maintenance, and interest on encumbrances, if any, on the property, provided that in computing net income the gross income shall not be charged with any expenses toward betterment of the property as improvements or by payment on the principal of a mortgage; provided, that the net income thus derived shall be applied on the family budget.

Sec. 131. Minnesota Statutes 1978, Section 256D.06, is amended by adding a subdivision to read:

Subd. 3. When a general assistance grant is used to pay a negotiated rate for a recipient living in a room and board arrangement or congregate living care, the allowance for clothing and personal needs shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.

Sec. 132. Minnesota Statutes 1978, Chapter 259, is amended by adding a section to read:

[259.45] [STATE ADOPTION EXCHANGE.] *Subdivision 1. The commissioner of public welfare shall establish an adoption exchange, which shall include but not be limited to a book, updated monthly, that contains a photograph and description of each child who has been legally freed for adoption. The exchange service shall be available to all authorized child placing agencies whose purpose is to assist in the adoptive placement of children, and the exchange book shall be distributed to all such agencies.*

Subd. 2. All authorized child placing agencies shall send to the state adoption exchange, within 60 days of the time a child becomes free for adoption, a recent photograph and description of each child in its care who has been legally freed for adoption by the termination of parental rights, and for whom no adoptive home has been found.

Subd. 3. Changes in the status of a child listed in the state adoption exchange shall be reported by the authorized child placing agency to the exchange within ten working days after the change occurs.

Subd. 4. Children remaining registered for 12 months shall have their photographs and written descriptions updated by the authorized child placing agency within ten working days of the expiration of the 12 months, and every 12 months thereafter.

Subd. 5. A child's registration shall be withdrawn when the exchange service has been notified in writing by the authorized child placing agency that the child has been adopted, has reached his or her 14th birthday and will not consent to an adoption plan, or has died.

Subd. 6. The exchange service shall semiannually check the status of listed children for whom inquiries have been received. Periodic checks shall be made by the service to determine the progress toward adoption of those children and the status of children registered but never listed in the exchange book because of placement in an adoptive home prior to or at the time of registration.

Subd. 7. An authorized child placing agency may voluntarily refer any child legally freed for adoption to the exchange service; or the exchange service may determine that the recruitment of an adoptive family through the exchange book is appropriate

for a child not registered with the service and require the child to be registered with the exchange service within ten working days.

Subd. 8. Deferral of the listing of a child with the state adoption exchange shall be only for one or more of the following reasons: (a) the child is in an adoptive placement but is not legally adopted; (b) the child's foster parents or other individuals are now considering adoption; (c) diagnostic study or testing is required to clarify the child's problem and provide an adequate description; (d) the child is currently in a hospital and continuing need for daily professional care will not permit placement in a family setting; or (e) the child is 14 years of age or older and will not consent to an adoption plan. Approval of a request to defer listing for any of the reasons specified in clauses (b) or (c) shall be valid for a period not to exceed 90 days, with no subsequent deferrals for those reasons.

Subd. 9. The commissioner of public welfare shall make rules as necessary to administer this section and shall employ necessary staff to carry out the purposes of this section.

Sec. 133. Minnesota Statutes, 1979 Supplement, Section 299D.03, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the highway patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants, or supervisors.

(3) Commencing July 4, 1979, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

	TOTAL YEARS OF SERVICE				
Base Salary	6 Months	1 Year	2 Years	3 Years	
Trooper	\$1186	1229	1327	1377	1439

98th Day]

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	4 thru 6 Years	7 thru 11 Years	12 thru 20 Years	After 20 Years			
Trooper	\$1511	1566	1625	1687			
		5 thru 11 Years	12 thru 20 Years	After 20 Years			
Trooper I	\$1566		1625	1687			
			10 thru 20 Years	After 20 Years			
Corporal			\$1650	1712			
Staff Sergeant							
			Years				
	7	8	9	10	11	12 thru 20	After 20
	\$1656	1687	1719	1753	1786	1817	1880

TIME IN RANK

	Base Salary	1 Year	2 Years	After 12 Years total Service	After 20 Years total Service
Captain	\$1959	2020	2083	2143	2202
Major	2239	2301		2363	2425

Commencing July 2, 1980, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

TOTAL YEARS OF SERVICE

	Base Salary	6 Months	1 Year	2 Years	3 Years
Trooper	\$1257	1303	1407	1460	1525
	4 thru 6 Years	7 thru 11 Years	12 thru 20 Years	After 20 Years	
Trooper	\$1602	1660	1723	1788	

	5 thru 11 Years	12 thru 20 Years	After 20 Years
Trooper I	\$1660	1723	1788
		10 thru 20 Years	After 20 Years
Corporal		(\$1747) \$1749	1815
Staff Sergeant			

Years

7	8	9	10	11	12 thru 20	After 20
\$1755	1788	1822	1858	1893	1926	1993

TIME IN RANK

	Base Salary	1 Year	2 Years	After 12 Years Total Service	After 20 Years Total Service
Captain	\$2077	2141	2208	2272	2334
Major	\$2373	2439		2505	2571

Employees designated as station sergeants shall receive an additional three percent above the current rate rounded to the nearest dollar for the duration of the appointment. Employees permanently assigned exclusively to Twin City metropolitan freeway duty shall be designated freeway troopers and shall be compensated \$25 per month above their current salary when so assigned. Salary increases in accordance with the above schedule shall become effective for the payroll period nearest the employee's anniversary date of employment.

(4) Upon promotion, the person will be paid at the base salary rate of pay in effect for that rank, and shall subsequently be eligible for the time in rank increases calculated from the effective date of promotion.

(5) Any time in rank increases in salary provided for in the tables in clause (3), shall be effective for the payroll period nearest the employee's anniversary date of employment.

The salary rates for all highway patrol troopers, corporals and sergeants as cited in clause (3) shall be deemed to include reimbursement for shift differential, meal and business expenses incurred by highway patrol troopers, corporals and sergeants in

the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Sec. 134. Minnesota Statutes 1978, Chapter 326, is amended by adding a section to read:

[326.601] [ALTERNATIVE STATE BONDING AND INSURANCE REGULATION.] *Subdivision 1. [BONDS.] An applicant for a water conditioning contractor or installer license or renewal thereof who is required by any political subdivision to give a bond to obtain or maintain the license, may comply with any political subdivision bonding requirement by giving a bond to the state in the total penal sum of \$3,000 conditioned upon the faithful and lawful performance of all water conditioning contracting or installing work done by him within the state. The bond shall be for the benefit of persons suffering injuries or damages due to the work. The bond shall be filed with the commissioner of health and shall be written by a corporate surety licensed to do business in this state. No applicant for a water conditioning contractor or installer license who maintains the bond under this subdivision shall be otherwise required to meet the bond requirements of any political subdivision.*

Subd. 2. [INSURANCE.] Each applicant for a water conditioning contractor or installer license or renewal thereof may, in lieu of all other insurance requirements of any political subdivision for said licensing purposes, maintain the insurance specified by this subdivision. The insurance shall provide coverage, including products liability coverage, for all damages in connection with licensed work for which the licensee is liable, with personal damage limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in this state and each licensed water conditioning contractor or installer shall maintain on file with the commissioner of health a certificate evidencing the insurance. The insurance shall not be cancelled without the insurer first giving 15 days written notice to the commissioner.

Subd. 3. [BOND AND INSURANCE EXEMPTION.] A water conditioning contractor or installer who is an employee of a water conditioning contractor or installer, including an employee engaged in the maintenance and repair of water conditioning equipment, apparatus, or facilities owned, leased and operated, or maintained by the employer, is not required to meet the bond and insurance requirements of subdivisions 1 and 2 or of any political subdivision.

Subd. 4. [FEE.] The commissioner of health may establish by rule an additional fee commensurate with the cost of administering the bond and insurance requirements of subdivisions 1

and 2, which may be charged each applicant for issuance or renewal of a water conditioning contractor or installer license who elects to proceed under subdivisions 1 and 2.

Sec. 135. Minnesota Statutes 1978, 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 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;

(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; and

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

Sec. 136. Minnesota Statutes 1978, Section 352.04, Subdivision 5, is amended to read:

Subd. 5. [PAYMENT OF EMPLOYER CONTRIBUTIONS.]
((A)) The head of each department or agency shall cause employer contributions to be made to the fund on each payroll abstract at the time each employee is paid his salary in the amounts required by subdivision 3. These contributions shall be charged as administrative costs. Each department shall pay these amounts from such accounts and funds from which each department or agency receives its revenue, including appropriations from the general fund and from any other fund, now or hereafter existing, for the payment of salaries and in the same proportion as it pays therefrom the amounts of such salaries. (THE MONEYS NECESSARY TO PROVIDE FOR THE ADMINISTRATIVE COST AS HEREIN PROVIDED ARE HEREBY APPROPRIATED OUT OF SUCH REVENUE SOURCES TO EACH DEPARTMENT AND AGENCY IN SUCH SUMS AS ARE REQUIRED TO MAKE THE PAYMENTS HEREIN DIRECTED.)

((B)) IF THERE ARE INSUFFICIENT MONEYS IN ANY SUCH ACCOUNTS OR FUND OR SOURCE OF REVENUE TO MAKE THE PAYMENTS TO THE STATE EMPLOYEES RETIREMENT FUND REQUIRED BY THIS SECTION TO BE MADE BY SUCH DEPARTMENT OR AGENCY, THERE IS HEREBY APPROPRIATED TO SUCH DEPARTMENT OR AGENCY FROM ANY MONEYS IN THE STATE TREASURY NOT OTHERWISE APPROPRIATED, SUCH MONEYS AS ARE REQUIRED TO MEET SUCH DEFICIENCIES. THE AMOUNT OF SUCH APPROPRIATION MADE BY THESE PROVISIONS SHALL BE CERTIFIED BY THE COMMISSIONER OF ADMINISTRATION TO THE COMMISSIONER OF FINANCE AT SUCH TIMES AS THE COMMISSIONER OF FINANCE SHALL REQUIRE.)

Sec. 137. Minnesota Statutes 1978, 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.*

Sec. 138. Minnesota Statutes 1978, Section 352B.25, is amended to read:

352B.25 [CONTINUING APPROPRIATION; PAYMENT OF PENSION FUNDS BY INDIVIDUALS.] (ALL MONEYS PROVIDED FOR IN THIS CHAPTER REQUIRED TO BE PAID, DEDUCTED, TRANSFERRED OR CONTRIBUTED TO ANY PERSON, AGENCY, FUND OR ASSOCIATION FROM ANY ACCOUNT IN THE STATE TREASURY OR FROM ANY FUND OR ASSOCIATION ARE HEREBY ANNUALLY AND FROM TIME TO TIME APPROPRIATED.) *The highway patrolmen's retirement fund and the participation in the Minnesota adjustable fixed benefit fund shall be disbursed only for the purposes herein provided. The expenses of the system and any benefits or annuities herein provided, other than benefits payable from the Minnesota adjustable fixed benefit fund, shall be paid from the highway patrolmen's retirement fund. The amounts necessary to make the payments from the highway patrolmen's retirement fund and the participation in the Minnesota adjustable fixed benefit fund are annually appropriated from those funds for those purposes.*

Sec. 139. Minnesota Statutes 1978, Section 352C.04, Subdivision 3, is amended to read:

Subd. 3. [APPROPRIATION.] Spouse's and dependent children's survivor benefits, payable under this section, (ARE APPROPRIATED ANNUALLY TO THE EXECUTIVE DIRECTOR OF THE MINNESOTA STATE RETIREMENT SYSTEM FROM THE GENERAL FUND OF THE STATE TREASURY, AND) shall be paid (BY HIM) monthly *by the executive director of the Minnesota state retirement system.*

Sec. 140. Minnesota Statutes 1978, 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 this chapter is entitled to receive upon application to the director a refund of all contributions credited to his account without interest thereon. (THE MONEYS REQUIRED FOR THE REFUNDS ARE APPROPRIATED ANNUALLY TO THE DIRECTOR FROM THE GENERAL FUND IN THE STATE TREASURY.)

(2) The 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 this chapter. Should the former constitutional officer or commissioner again hold such office after having taken a refund as provided above, he shall be considered a new member for all purposes and such refund may not be repaid for any credit or benefit whatever.

(3) No person shall be required to apply for or accept a refund.

Sec. 141. Minnesota Statutes 1978, Section 353.83, is amended to read:

353.83 [ADDITIONAL PAYMENTS TO CERTAIN ANNUITANTS.] Payments of retirement annuities pursuant to this chapter, to annuitants who (a) retired prior to July 1, 1962, (b) had at least 20 years of allowable service credit in the public employees retirement association upon their termination of public employment, and (c) receive annuities of less than \$200 per month shall, retroactive to July 1, 1967, be supplemented by additional payments by the public employees retirement association from moneys in the general fund of the state of Minnesota in the amount of \$15 per month, provided that such annuitants have not previously qualified for the additional payments pursuant to this section, and provided further that in no case shall the annuities plus the additional payments exceed \$200 per month. (MONEYS NECESSARY TO PAY THE SUPPLEMENTAL BENEFIT PROVIDED BY THIS SECTION ARE HEREBY ANNUALLY APPROPRIATED FROM THE SAID GENERAL FUND.) These additional payments shall be made in the same manner and at the same time retirement annuities are paid and shall be included in the warrants on which the annuities are so paid. The supplemental payment herein provided shall be excluded from the computation of any monthly survivor benefit or optional annuity which may become due and payable to any person following the death of an annuitant who, during his lifetime, received a benefit pursuant to this section. If an annuitant entitled to receive additional payment under this section should die before such retroactive payment is received, payment shall be made upon demand to his designated

beneficiary in an amount equal to his accumulated benefit from July 1, 1967, to the date of his death, without interest.

Sec. 142. Minnesota Statutes 1978, Section 354.55, Subdivision 5, is amended to read:

Subd. 5. Each annuitant who as a member of the fund commenced drawing an annuity pursuant to Laws 1915, Chapter 199, as amended, shall be paid \$20 per month in addition to the amount such annuitant is otherwise entitled to receive under the provisions of Minnesota Statutes 1961, Sections 135.01 to 135.56. (THE SUPPLEMENTAL PENSION PROVIDED FOR IN THIS SUBDIVISION SHALL BE PAID FROM THE GENERAL FUND AND SUCH MONEYS AS ARE REQUIRED FOR ITS PAYMENT ARE HEREBY ANNUALLY APPROPRIATED TO THE TEACHERS RETIREMENT FUND.)

Sec. 143. Minnesota Statutes, 1979 Supplement, Section 354A.12, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Notwithstanding any law to the contrary, levies for teachers retirement fund associations in cities of the first class, including levies for any employer social security taxes for teachers covered by the Duluth teachers retirement fund association or the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association, are disallowed and the state shall assume the total employer obligation.

The state shall make the following employer contributions to teachers retirement fund associations:

(a) For any coordinated member of a teachers retirement fund association in a city of the first class, the state shall pay the employer social security taxes in accordance with section 355.46, subdivision 3, clause (b);

(b) For any coordinated member of one of the following teachers retirement fund associations in a city of the first class, the state shall make a contribution to the respective retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

Duluth teachers retirement fund association	5.79 percent
Minneapolis teachers retirement fund association	4.50 percent
St. Paul teachers retirement fund association	4.50 percent

(c) For any basic member of one of the following teachers retirement fund associations in a city of the first class, the state

shall make a contribution to the respective retirement fund in an amount equal to the designated percentage of the salary of the basic member as provided below:

Minneapolis teachers retirement fund association	13.35 percent
St. Paul teachers retirement fund association	12.63 percent

The state employer contributions shall be (APPROPRIATED AND) remitted directly to each teachers retirement fund association each month in accordance with the procedures described in section 354.43, subdivisions 1 (, 2,) and 5.

Once each month the executive secretary of each teachers retirement fund association shall determine the amount of money necessary and presently needed to meet the state obligation as provided in this subdivision by applying the percentage of payroll figure to the estimated payroll amounts for the current month and shall certify the amount to the commissioner of finance. The moneys required to meet the amounts certified by each executive secretary of a teachers retirement fund association shall be (APPROPRIATED AND) remitted directly to the applicable teachers retirement fund association from the general fund each month. If subsequent actual experience deviates from the anticipated experience upon which the amount certified was determined, the allocation to the first class city teachers retirement fund association involved next following the discovery of the deviation shall be adjusted. If the state makes an excess employer contribution to a teachers retirement fund association as the result of a false or wrongful certification, the state shall be entitled to recover the excess employer contribution by any appropriate means, including recovery from future state allocations, state aid or other funds payable to the school district in which the association is located. If an employee of that school district is responsible for the false or wrongful certification, any excess employer contribution recovered by the state shall be the obligation of the school district.

Sec. 144. Minnesota Statutes 1978, Section 355.46, Subdivision 3, is amended to read:

Subd. 3. The employer taxes due with respect to employment by educational employees who have made their selection pursuant to section 218(d) (6)(C) of the social security act, shall be paid in the following manner:

(a) Contributions required for retroactive coverage shall be made in the manner provided in subdivision 2.

(b) Contributions required to be made for current service by political subdivisions employing such educational employees

and payments required by section 355.49 shall be paid by the state. Beginning July 1, 1971 the state's obligation for services performed subsequent to the date of the agreement or modification shall be paid by the commissioner of finance at such times and in such amounts as may be determined by the state agency to be necessary. (THE AMOUNTS HEREIN REQUIRED ARE HEREBY APPROPRIATED TO THE COMMISSIONER OF FINANCE FROM THE GENERAL FUND IN THE STATE TREASURY AND THE COMMISSIONER OF FINANCE IS HEREBY AUTHORIZED TO MAKE THE NECESSARY DISBURSEMENTS AND TRANSFERS THEREFOR EXCEPT THAT THE FIRST SUCH AMOUNT SO REQUIRED SHALL BE REDUCED BY AN AMOUNT OF \$3,000,000 WHICH SHALL BE APPROPRIATED FROM THE TEACHERS RETIREMENT FUND. THE TRUSTEES ARE HEREBY AUTHORIZED TO MAKE THIS REQUEST OF TRANSFER TO THE COMMISSIONER OF FINANCE.)

(c) Contributions required to be made with respect to such educational employees of state departments and institutions and payments required by section 355.49 shall be paid by such departments and institutions in accordance with the provisions of sections 355.49 and 355.50.

Sec. 145. Minnesota Statutes 1978, Section 355.50, is amended to read:

355.50 [STATE EMPLOYEES, APPROPRIATION.] With respect to state employees, each department and agency shall pay the amounts required by sections 355.41 to 355.60 from such accounts and funds from which each department or agency receives its revenue, including appropriations from the general fund and from any other fund, now or hereafter existing, for the payment of salaries and in the same proportion as it pays therefrom the amounts of such salaries. (THE MONEYS NECESSARY FOR THE PAYMENTS INTO THE CONTRIBUTION FUND AND THE STATE AGENCY REVOLVING FUND, AS PROVIDED HEREIN, ARE HEREBY APPROPRIATED OUT OF SUCH REVENUE SOURCES, INCLUDING FROM THE GENERAL FUND AND FROM ANY OTHER FUND NOW OR HEREAFTER EXISTING, TO EACH DEPARTMENT AND AGENCY IN SUCH SUMS AS ARE REQUIRED TO MAKE THE PAYMENTS HEREIN DIRECTED, AND) Such payments shall be charged as an administrative cost by such units of state government.

If the federal government increases the required contributions for social security, and as a result of the increase there are insufficient moneys in any such accounts or fund or source of revenue to make the payments to the contribution fund required by sections 355.41 to 355.60 by such departments or agencies, there is hereby appropriated to such department or agency from any moneys in the state treasury not otherwise appropriated such moneys as are required to meet such deficiencies. The amount of

each (APPROPRIATION) payment made (BY) pursuant to these provisions shall be certified by the commissioner of personnel to the commissioner of finance at such times as the commissioner of finance shall require. *The amount certified as necessary to meet a deficiency caused by an increase in federal contribution requirements shall be reported to the senate committee on finance and the house committee on appropriations before the commissioner of finance transfers any money to meet the deficiency.*

For those employees of the state or its instrumentalities who as eligible members in the state employees retirement association are employed by the state horticultural society, the disabled American veterans, department of Minnesota, veterans of foreign wars, department of Minnesota, the Minnesota crop improvement association, the Minnesota historical society, the armory building commission and the Minnesota-Wisconsin-Minneapolis-St. Paul survival plan project, these units of government shall also pay into the contribution fund contributions with respect to wages equal to the sum of taxes which would be imposed by the federal insurance contributions act if the services covered by such agreement or modification constituted employment within the meaning of that act.

Sec. 146. Minnesota Statutes 1978, Section 401.02, Subdivision 3, is amended to read:

Subd. 3. [ESTABLISHMENT AND REORGANIZATION OF ADMINISTRATIVE STRUCTURE.] Any county or group of counties which have qualified for participation in the community corrections subsidy program provided by this chapter may, *after consultation with the judges of the district court, county court, municipal court, probate court and juvenile court having jurisdiction in the county or group of counties establish, organize, and reorganize (ITS) an administrative structure (, INCLUDING BUT NOT LIMITED TO) and provide for the budgeting, staffing and operation of court services and probation, juvenile detention and juvenile correctional facilities, and other activities required to conform (WITH) to the (REQUIREMENTS) purposes of (SUBDIVISION 1 NOTWITHSTANDING ANY INCONSISTENT SPECIAL LAW) chapter 401. No contrary general or special statute divests any county or group of counties of the authority granted by this subdivision. This subdivision does not apply to Ramsey county or to the counties in the Arrowhead region. In Hennepin county the county board and the judges of the district court, county court, municipal court, probate court and juvenile court shall, before January 15, 1981, prepare and implement, subject to the approval of the commissioner of corrections, a joint plan for reorganization of correctional services in the county providing for the administrative structure and providing for the budgeting, staffing and operation of court services and probation, juvenile detention and juvenile correctional facilities, and other activities required to conform to the purposes of chapter 401.*

Sec. 147. Minnesota Statutes 1978, Section 403.11, Subdivision 3, is amended to read:

Subd. 3. [METHOD OF PAYMENT; CERTIFICATION.] A public utility incurring reimbursable costs under subdivision 1 or 2 (FOR A YEAR ENDING JUNE 30, 1978, OR ANY JUNE 30 THEREAFTER,) shall certify those costs to the commissioner of administration (NO LATER THAN THE FOLLOWING AUGUST 31). The certification shall be in a form as prescribed by the commissioner after consultation with the public service commission. If the commissioner and the commission approve the certified costs as appropriate and accurate, the commissioner shall (SO ADVISE THE COMMISSIONER OF FINANCE NO LATER THAN THE FOLLOWING OCTOBER 31. IF THE COSTS ARE CERTIFIED AND APPROVED IN AN EVEN NUMBERED YEAR, THE GOVERNOR AND THE COMMISSIONER OF FINANCE SHALL INCLUDE THE CERTIFIED COSTS IN THE REGULAR BUDGET SUBMITTED TO THE LEGISLATURE. IF THE COSTS ARE CERTIFIED AND APPROVED IN AN ODD NUMBERED YEAR, THEY SHALL BE SUBMITTED IN A SPECIAL MESSAGE TO THE APPROPRIATIONS COMMITTEES OF THE LEGISLATURE NO LATER THAN NOVEMBER 30 OF EACH ODD NUMBERED YEAR) *pay the certified costs from money appropriated for that purpose within 90 days following receipt by the commissioner of the certified costs. The commissioner of administration shall estimate the amount required to reimburse public utilities for the state's obligations under subdivisions 1 and 2 of this section and the governor shall include the estimated amount in the biennial budget request.*

Sec. 148. Minnesota Statutes, 1979 Supplement, Section 422A.101, Subdivision 3, is amended to read:

Subd. 3. [STATE CONTRIBUTIONS.] (THERE IS APPROPRIATED FROM THE GENERAL FUND OF) The state shall pay to the Minneapolis municipal employees retirement fund annually an amount equal to the financial requirements of the basic program of the Minneapolis municipal employees retirement fund reported by the actuary in the actuarial valuation of the fund prepared pursuant to section 356.215 for the most recent year but based on a target date for full amortization of the unfunded liabilities by the year 2017 less the amount of employee contributions made pursuant to section 422A.10, and the amount of employer contributions made pursuant to subdivision 1, clauses (a), (b) and (c), and subdivision 2, clauses (a), (b) and (c). Payments made pursuant to this subdivision shall be made at the same time and in the same manner as for payments made pursuant to section 477A.01, subdivision 4b.

Sec. 149. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 19. The agency may make grants solely to non-profit sponsors, as defined by the agency, for residential housing to be used to provide temporary shelter to low and moderate income persons and families having an immediate need for temporary shelter as a result of natural disaster, resettlement, condemnation, displacement, lack of habitable housing or other cause defined by the agency. Grants pursuant to this subdivision shall not be used for residential care facilities. To the extent possible, a nonprofit sponsor shall combine the grant with other funds obtained from public and private sources. In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and the appropriate security should repayment be required.

Sec. 150. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 12. It may make grants for the purpose of section 149, and may pay the costs and expenses necessary and incidental to the grant program authorized therein. Grants pursuant to section 149. May be made only with specific appropriations by the legislature.

Sec. 151. Minnesota Statutes, 1979 Supplement, Section 465.72, is amended to read:

465.72 [SEVERANCE PAY.] Except as may otherwise be provided in Laws 1959, Chapter 690, as amended, (ALL COUNTIES, CITIES, TOWNSHIPS AND SCHOOL DISTRICTS ARE HEREBY AUTHORIZED AND EMPOWERED TO) any county, city, township and school district may pay severance pay to (ALL OF) its employees and (TO ESTABLISH, PRESCRIBE AND) promulgate (PROVISIONS,) rules (AND REGULATIONS) for the payment of (SUCH) severance pay (UPON LEAVING) to an employee who leaves employment (PRIOR TO) before the normal retirement date. (SUCH) The severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits (, AND). It shall be paid in a manner mutually agreeable to the employee and employer over a period not to exceed five years from termination of employment. (IN THE EVENT THAT) If a terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. In no event shall severance pay provided for an employee (EXCEPT A TEACHER AS DEFINED IN SECTION 179.63, SUBDIVISION 13,) leaving employment exceed an amount equivalent to (100 DAYS PAY. SEVERANCE PAY FOR A TEACHER AS DEFINED IN SECTION 179.63, SUBDIVISION 13, SHALL NOT EXCEED AN AMOUNT EQUIVALENT TO) one year of pay.

Sec. 152. Minnesota Statutes 1978, Section 473.408, Subdivision 3, is amended to read:

Subd. 3. [SOCIAL FARES.] In off-peak hours the commission and other operators shall charge the following reduced fares for transit service:

(a) not more than 20 cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;

(b) not more than ten cents for all persons 65 years of age and over holding a medicare card or other identification card authorized or approved by the commission; and

(c) not more than one-half of the full fare for all handicapped persons, as defined by the commission.

Any person qualifying for a reduced fare pursuant to clause (b) whose income is below 150 percent of poverty guidelines established by the federal community services administration may qualify for exemption from the fare otherwise required to be paid under clause (b). The person may qualify for exemption by certifying income level on a form provided by the commission. The commission shall issue an annual pass to persons who qualify for exemption and shall require the persons to requalify annually. The commission shall make appropriate certification forms available by mail and at the offices and information centers maintained by the commission.

Sec. 153. Minnesota Statutes 1978, Section 473.435, is amended to read:

473.435 [BUDGET PREPARATION; SUBMISSION.] The commission shall prepare, submit and adopt a budget in the manner provided in, and otherwise comply with, the provisions of section 473.163 and section 174.03.

Sec. 154. Minnesota Statutes 1978, Section 473.641, is amended by adding a subdivision to read:

Subd. 4. Notwithstanding any other law, the metropolitan airports commission shall not use revenue from any source, as described by section 473.608, for construction of air facilities to expand or upgrade the use of an existing metropolitan airport from minor use to intermediate use status as defined by the metropolitan development guide, aviation chapter, adopted pursuant to section 473.145.

Sec. 155. Minnesota Statutes 1978, Section 490.123, Subdivision 1, is amended to read:

490.123 [JUDGES' RETIREMENT FUND.] Subdivision 1. [CREATION; CONTRIBUTIONS.] There is hereby created a special fund known as the "judges' retirement fund". The fund shall be credited with all contributions, all interest and all other income authorized by law. From this fund there are appropriated the payments authorized by sections 490.121 to 490.132 in the amounts and at times provided herein, including the expenses of administering the fund. Except as provided in section 490.128, subdivision 2, each judge shall contribute to the fund from each salary payment a sum equal to the salary multiplied by the rate of employee tax under the Federal Insurance Contributions Act as defined in section 355.01, subdivision 9. The balance of all money necessary for administering sections 490.121 to 490.132 and the judges' retirement fund, including payment of retirement compensation and other benefits under sections 490.121 to 490.132, shall be contributed to the fund by the state. (THE AMOUNT REQUIRED THEREFOR IS HEREBY ANNUALLY APPROPRIATED FROM THE GENERAL FUND TO THE JUDGES' RETIREMENT FUND.)

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.

Sec. 156. Minnesota Statutes 1978, Chapter 544, is amended by adding a section to read:

[544.41] [PRODUCT LIABILITY; LIMIT ON LIABILITY OF NON-MANUFACTURERS.] Subdivision 1. *In any product liability action based in whole or in part on strict liability in tort commenced or maintained against a defendant other than the manufacturer, that party shall upon answering or otherwise pleading file an affidavit certifying the correct identity of the manufacturer of the product allegedly causing injury, death or damage. The commencement of a product liability action based in whole or part on strict liability in tort against a certifying defendant shall toll the applicable statute of limitation relative to the defendant for purposes of asserting a strict liability in tort cause of action.*

Subd. 2. Once the plaintiff has filed a complaint against a manufacturer and the manufacturer has or is required to have answered or otherwise pleaded, the court shall order the dismissal of a strict liability in tort claim against the certifying defendant, provided the certifying defendant is not within the categories set forth in subdivision 3. Due diligence shall be exercised by the certifying defendant in providing the plaintiff with the correct identity of the manufacturer and due diligence shall be exercised by the plaintiff in filing a law suit and obtaining jurisdiction over the manufacturer.

The plaintiff may at any time subsequent to dismissal move to vacate the order of dismissal and reinstate the certifying defendant, provided plaintiff can show one of the following:

(a) That the applicable statute of limitation bars the assertion of a strict liability in tort cause of action against the manufacturer of the product allegedly causing the injury, death or damage;

(b) That the identity of the manufacturer given to the plaintiff by the certifying defendant was incorrect. Once the correct identity of the manufacturer has been given by the certifying defendant the court shall again dismiss the certifying defendant;

(c) That the manufacturer no longer exists, cannot be subject to the jurisdiction of the courts of this state, or, despite due diligence, the manufacturer is not amenable to service of process;

(d) That the manufacturer is unable to satisfy any judgment as determined by the court; or

(e) That the court determines that the manufacturer would be unable to satisfy a reasonable settlement or other agreement with plaintiff.

Subd. 3. A court shall not enter a dismissal order relative to any certifying defendant even though full compliance with subdivision 1 has been made where the plaintiff can show one of the following:

(a) That the defendant has exercised some significant control over the design or manufacture of the product, or has provided instructions or warnings to the manufacturer relative to the alleged defect in the product which caused the injury, death or damage;

(b) That the defendant had actual knowledge of the defect in the product which caused the injury, death or damage; or

(c) That the defendant created the defect in the product which caused the injury, death or damage.

Subd. 4. Nothing contained in subdivisions 1 to 3 shall be construed to create a cause of action in strict liability in tort or based on other legal theory, or to affect the right of any person to seek and obtain indemnity or contribution.

Sec. 157. Laws 1959, Chapter 690, Section 2, as amended by Laws 1963, Chapter 729, Section 1, Laws 1971, Chapter 599, Section 1, and Laws 1975, Chapter 261, Section 1, is amended to read:

Sec. 2. [ST. PAUL, CITY OF; EMPLOYEES SEVERANCE PAY.] The provisions, rules and regulations under any such ordinance for such payment of severance pay by said city, authorized under the foregoing provisions of section 1 hereof, shall be applicable to all employees of said city other than its elected city officials. Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid over a period not to exceed five years from termination of employment. The amount of such severance pay allowable or to become payable in respect of any such employment or to any such employee (AFTER DECEMBER 31, 1973,) shall not exceed (\$4,000) *the amount permitted by Minnesota Statutes, Section 465.72.*

Sec. 158. Laws 1979, Chapter 332, Article I, Section 115, Subdivision 2, is amended to read:

Subd. 3. [OPEN APPROPRIATIONS; COMPENSATION INCREASES.] (a) The compensation and economic benefit increases covered by this clause are those paid to classified and unclassified employees in the executive, legislative, and judicial branches of state government, and to employees of the Minnesota historical society and nonacademic employees of the University of Minnesota who are paid from state appropriations, if the increases are authorized by law during the 1979 session of the legislature or by appropriate resolutions for employees of the legislature. The amounts necessary to pay compensation and economic benefit increases covered by this clause are appropriated from the various funds in the state treasury from which salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1980, and June 30, 1981.

(b) The cost of living increases covered by this clause are those paid to classified employees pursuant to sections 43.12, subdivision 10 and 43.127, those paid to unclassified employees who are paid salaries comparable to employees in the classified service, and those paid to unclassified employees in the executive, legislative, and judicial branches of state government, and to employees of the Minnesota historical society and nonacademic employees of the University of Minnesota who are paid from state appropriations, if the increases are authorized by law during the 1979 session of the legislature or by appropriate resolutions for employees of the legislature. The amounts necessary to pay cost of living increases covered by this clause are appropriated from the various funds in the state treasury from which their salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1980, and June 30, 1981, *except that the amount provided by the general fund shall not exceed \$17,535,800.*

(c) The amounts necessary to pay increased premium rates for basic life insurance and basic health benefit coverage authorized for eligible state employees and their dependents, in the

event that these rates are increased over the rates in existence at the time of the passage of this act, are appropriated from the various funds in the state treasury from which these premiums are paid, to the commissioner of finance for the fiscal years ending June 30, 1980 and June 30, 1981.

(d) The commissioner shall transfer the necessary amounts to the proper accounts and shall promptly notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount transferred to each appropriation account.

(e) Money certified as needed by the University of Minnesota and transferred to it under this subdivision shall be used only for the purpose certified. Any amount transferred that exceeds the actual amount of cost of living increases or insurance premium increases paid to or for university employees until June 30, 1981 shall be returned to the general fund.

Sec. 159. [EMPLOYEE STATUS.] *Persons employed by a state agency and paid from an appropriation in Laws 1979, Chapter 301, Section 3, Clause (10) are in the unclassified service and their continued employment is contingent upon the availability of money from that appropriation.*

Sec. 160. [AGREEMENTS APPROVED.] *Notwithstanding the provisions of Laws 1979, Chapter 332, Section 109, employees of the department of economic security who are represented by the Minnesota administrative hearing officers association shall be entitled to receive the benefits provided by Laws 1979, Chapter 332, Section 109, provided they meet the applicable eligibility requirements.*

Notwithstanding the provisions of Minnesota Statutes Section 179.74, Subdivision 5, the commissioner of personnel is authorized to implement those provisions of the agreements negotiated with the Minnesota nurses association covering employees of the department of health which establish wages and economic fringe benefits. In lieu of the salaries provided by Minnesota Statutes, Section 43.12, Subdivisions 2 and 3, covered employees shall receive the salary increases provided by Laws 1979, Chapter 332, Section 103.

The provisions of section 179.63, Subdivision 11, shall not apply to the employees of the university of Minnesota hospitals.

Sec. 161. [PAY INCREASE.] *The salary range of the state chief pilot is increased from range 14 to range 16.*

Sec. 162. [DISTRICT JUDGE COMMUTING EXPENSES.] *Notwithstanding the provisions of Minnesota Statutes 1978, Section 484.54, Subdivision 2, a district court judge in Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay,*

Becker or Wadena counties shall be paid travel expenses for travel from his place of residence to and from his permanent chambers for a period of two years after July 1, 1979 or the date he initially assumes office, whichever is later.

Sec. 163. [LUCE LINE TRAIL; SALE OF EXCESS LAND.] *Land acquired by the commissioner of natural resources from the Chicago Northwestern Railroad for the Luce Line Trail from the south right of way line of the public road intersecting the trail, the intersection being in the northwest quarter of the northwest quarter of section 17 and the northeast quarter of the northeast quarter of section 18, township 118 north, range 37 west, Chippewa County, Minnesota, to Gluek may be sold at public auction in the same manner as provided by law for trust fund lands or may be exchanged with adjacent landowners notwithstanding any contrary provisions of Minnesota Statutes, Section 94.342, Subdivision 3. The commissioner may subdivide the lands and interest in lands into smaller parcels for the purpose of the sale or exchange.*

Sec. 164. [ABANDONED RIGHT OF WAY.] *Subdivision 1. [LEGISLATIVE FINDINGS AND CONCLUSIONS.] The legislature finds, for the reasons stated below, that it is in the best interest of the state to acquire the portions of the abandoned Chicago, Milwaukee, St. Paul, and Pacific Railroad right-of-way between the Red Cedar River and the high voltage transmission line from Prairie Island to Adams which crosses the right-of-way east of Dexter in Mower County and between Isinour Junction in Fillmore County and Money Creek Woods in Houston County. The reasons are: (1) An approximately 33 mile portion of the right-of-way, east of Isinour Junction, as more specifically described and recommended for acquisition in the report of the hearing examiner on the Root River Trail dated March 5, 1980, satisfies the criteria stated in Minnesota Statutes, Section 86A.05, Subdivision 4, Clause (b) for the establishment of a state trail pursuant to Minnesota Statutes, Sections 84.029, Subdivision 2, and 85.015, Subdivision 7; (2) Other portions of the right-of-way west of Dexter, satisfy the criteria stated in Minnesota Statutes, Section 86A.05, Subdivision 5, Clause (b), for the establishment of a state scientific and natural area; (3) Development of these units of the outdoor recreation system can be accomplished in such a way as to minimize adverse effects on adjoining agricultural lands; (4) The right-of-way from the high voltage transmission line east of Dexter to the Red Cedar River has been proposed for, and has high potential for use by the Austin Utilities Board as a high voltage transmission line; and (5) the right-of-way from the Red Cedar River to Dexter has potential for trail development.*

Subd. 2. [ACQUISITION AUTHORITY.] The commissioner of natural resources, having completed the study and hearing process specified in Laws 1979, Chapter 301, Section 7, shall acquire, for development of a state recreational trail and to hold for a potential utility use, the portions of the abandoned

Chicago, Milwaukee, St. Paul and Pacific Railroad right-of-way described in subdivision 1, including trestles, bridges and culverts from the railroad or from any person to whom the right-of-way may revert or be sold upon abandonment. The commissioner shall have the first rights of purchase and may acquire by gift, purchase, or condemnation pursuant to Minnesota Statutes, Chapter 117.

Subd. 3. [MITIGATION OF ADVERSE IMPACTS.] *To the maximum extent the commissioner shall develop and maintain the portion of right-of-way used for trail purposes so as to minimize adverse effects on adjoining agricultural lands and property owners. To this end the commissioner shall:*

(a) Notwithstanding the provisions of Minnesota Statutes, Section 94.342, Subdivision 3, offer to exchange land with landowners whose land is crossed or adjacent to the trail right-of-way where the exchange will minimize or mitigate impact on farming use, privacy or other beneficial use of the lands of the adjacent owner and is consistent with the trail use;

(b) Allow easements for drainage culverts and tile lines to cross the trail right-of-way without cost to adjacent landowners, provided that the commissioner may restrict the location and construction method of the culverts and tile lines to protect the resource;

(c) Provide and maintain fencing on both sides of the line at the expense of the state where requested by the adjoining landowner;

(d) Allow easements for crossing livestock and farm equipment of adjoining owners where necessary and convenient; and

(e) Assign, prior to the opening of the trail, a full time trail manager to this trail.

Subd. 4. [FURTHER STUDY.] *The commissioner shall study, and hold a hearing, in the manner provided in Laws 1979, Chapter 301, Section 7, on the appropriateness of developing a trail on the portion of the right-of-way from the Red Cedar River to the western edge of Dexter. If the commissioner determines such a trail use is appropriate, it shall conform to all requirements of subdivision 3, except the requirement for land exchanges under clause (a). Notwithstanding the provisions of Minnesota Statutes, Chapter 86A or other laws to the contrary, this portion of the right-of-way if used for a trail may be used for high voltage transmission line purposes.*

Subd. 5. [SCIENTIFIC AND NATURAL AREAS.] *The commissioner shall designate and manage as scientific and natural areas those portions of the right-of-way from the Red Cedar River to the western edge of Dexter recommended by the Scientific and Natural Area Advisory Committee totaling approximately 7.75 miles. Notwithstanding the provisions of Min-*

nesota Statutes, Chapter 86A, the commissioner may operate a trail on the land described in subdivision 1 that is designated as a scientific and natural area, provided that trail uses shall be limited and controlled in a manner to assure the protection of the scientific and natural area resource values. Further, notwithstanding the provisions of Minnesota Statutes, Chapter 86A, or any other laws to the contrary, the scientific and natural areas may be used for a high voltage power line, provided towers are located and constructed and the line maintained in a manner to insure protection of the resource.

Subd. 6. [ACQUISITION; SALE.] If necessary in order to effectuate the purposes of this section, the commissioner may acquire by gift or purchase from a willing seller those portions of the entire abandoned railroad right-of-way between Ramsey in Mower County and LaCrescent in Houston County not described in subdivision 1, but may not retain in state ownership any portion thereof other than those portions described in subdivision 1, and shall dispose of those lands not retained in state ownership in the manner provided in sections 94.09 to 94.16, within one year after their acquisition.

Sec. 165. [RAMSEY COUNTY WETLANDS.] The following described lands are wetlands within the meaning of Minnesota Statutes, Section 105.37, Subdivision 15: lot 101 of Gardena addition, which is located in the northeast quarter of the southeast quarter of section 4, township 29 north, range 22 west, Ramsey County, Minnesota.

Sec. 166. [CONVEYANCE OF LAND; WILLMAR SEWER LIFT SYSTEM.] The governor, upon the recommendation of the commissioner of administration, may convey by quitclaim deed in a form the attorney general approves to the city of Willmar the land on which the sewer lift system which serves the Willmar state hospital and the Willmar department of transportation district headquarters is located. The consideration for the property shall be the maintenance and operation of the sewer lift system by the city of Willmar without charge for the services to the state facilities.

The land to be transferred is described as follows:

That part of Government Lot 2, Section 1, Township 119 North, Range 35 West, located within the city of Willmar, Minnesota, described as follows:

Commencing at the southwest corner of Section 1, Township 119 North, Range 35 West; thence North 0 degrees 24 minutes 00 seconds West 480.08 feet to the centerline of Trunk Highway 71-4 right-of-way; thence North 33 degrees 02 minutes 00 seconds East along said centerline 407.44 feet; thence northeasterly along a tangential curve concave to the northwest, radius 5729.58 feet, central angle 10 degrees 07 minutes 08 seconds

a distance of 1011.90 feet; thence South 67 degrees 05 minutes 08 seconds East along a radial line to said curve 80.00 feet to the point on the easterly right-of-way line of said Trunk Highway 71-4, said point being where said easterly right-of-way line changes from 50 feet to 80 feet; thence northeasterly along said right-of-way line on a nontangential curve concave to the northwest, radius 5809.58 feet, central angle 0 degrees 07 minutes 00 seconds, chord bearing North 22 degrees 51 minutes 32 seconds East 11.82 feet to the point of beginning;

thence North 87 degrees 23 minutes 38 seconds East 128.98 feet; thence North 2 degrees 36 minutes 22 seconds West 60.00 feet; thence South 87 degrees 23 minutes 38 seconds West 99.97 feet to said easterly right-of-way of Trunk Highway 71-4; thence southeasterly along said easterly right-of-way line on a nontangential curve concave to the northwest, radius 5809.58 feet central angle 0 degrees 39 minutes 26 seconds, chord bearing South 23 degrees 11 minutes 52 seconds West 66.65 feet to the point of beginning containing 0.158 acres, more or less.

Sec. 167. [COOK COUNTY; INDEPENDENT SCHOOL DISTRICT NO. 166; STEAM LINE CONSTRUCTION AGREEMENTS.] *Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Chapters 373, 375, 471, 475 or any other law to the contrary, Independent School District No. 166 and the board of commissioners of Cook County may exercise the powers granted by this section.*

Subd. 2. The school board of Independent School District No. 166 may sell excess steam from its existing wood fueled steam generating plant to any customer on the terms and conditions it deems reasonable.

Subd. 3. The school board and the board of commissioners of Cook County may make an agreement for the school district to furnish the excess steam from its existing wood fueled steam generating plant to Cook County for its public buildings on any terms and conditions and for any time agreed to by the parties. The agreement may provide for separate or joint ownership and construction of a steam line and other necessary facilities to accomplish the purpose of the agreement. The parties may acquire the easements necessary to accomplish the purpose of the agreement by gift, lease, or purchase. They may finance the acquisition of the easements and construction projects by use of grants from outside sources or the unrestricted available funds of either party. The parties may agree that all or part of an expenditure made by one party for purposes of this section shall be reimbursed by the other party on the terms and conditions agreed to by the parties.

Sec. 168. [CITATION.] *Sections 168 to 180 may be cited as the "St. Paul People Mover Act."*

Sec. 169. [DEFINITIONS.] Subdivision 1. *The definitions in this section apply to the St. Paul People Mover Act.*

Subd. 2. *“Acquisition” and “betterment” have the meanings given in Minnesota Statutes, Section 475.51.*

Subd. 3. *“Capitol area” has the meaning given in Minnesota Statutes, Section 15.50.*

Subd. 4. *“City” means the city of St. Paul in Ramsey County acting through the city council or any agency, authority or corporation established by or with the approval of the city, acting through its governing body, to implement any of the provisions of the St. Paul People Mover Act.*

Subd. 5. *“Commission” means the metropolitan transit commission created by Minnesota Statutes, Section 473.404, having jurisdiction over the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.*

Subd. 6. *“Contracting agency” means the city or an agency authorized by the city to contract for the acquisition and betterment of the people mover system or any part thereof.*

Subd. 7. *“Operating agency” means the city or an agency authorized by the city by lease or other agreement to manage and operate the people mover system.*

Subd. 8. *“Operating deficit” means the amount by which the expenses of operating, maintaining and promoting the people mover system during revenue service exceeds the amount received from revenues of the system, reimbursement for reduced or social fares, federal operating assistance and other sources exclusive of operating deficit payments by the city and by the owners of benefited properties.*

Subd. 9. *“Revenue service” means service during periods in which the people mover system is operating and available for use by the general public.*

Subd. 10. *“People mover system” means a transit system with an automated fixed guideway and related facilities, including but not limited to, parking, access, pedestrian malls, bus facilities, and skyways, designed to serve the main commercial area of the city of St. Paul and the area of the city surrounding it as determined by the city, and all property, real and personal, and all contract rights, determined to be necessary or desirable for the acquisition, betterment, operation, access to, and maintenance of the system.*

Subd. 11. *“Transit system” has the meaning given in Minnesota Statutes, Section 473.121.*

Subd. 12. "Vehicle system" means the transit cars, the guideway, the guideway columns, the guideway electrification, the control and communication mechanisms, the platform doors, the maintenance and control center equipment, and other similar necessary components of the people mover system.

Sec. 170. [PEOPLE MOVER SYSTEM; AUTHORITY.] *The city may undertake the acquisition, betterment, operation, maintenance, and promotion of a people mover system. For such purposes the city may exercise all powers conferred upon it by law or charter and, notwithstanding any other law or charter provision, may negotiate an agreement with a contracting agency. The terms of the agreement with the contracting agency shall comply with the St. Paul People Mover Act.*

Sec. 171. [SYSTEM PROCUREMENT.] *Subdivision 1. [SPECIFICATIONS; EVALUATION CRITERIA.] Before final solicitation of bids from suppliers, the city shall approve the functional, physical, and performance specifications to be prescribed for the people mover system and the criteria to be used to evaluate alternative systems and bids. At a minimum, the system specifications shall require the system to provide access for handicapped to connect the major downtown activity centers with fringe parking and radial bus routes and to have been proven in operation. The specifications shall be developed so as not to limit future adaptability of the system to provide origin to destination service without stops, to eliminate transfers, and to allow a capacity of 5,000 passengers per hour. The system evaluation criteria shall give particular emphasis to the environmental, visual, and aesthetic effects of the system, especially the size of the guideways and guideway columns energy consumption and reliability during winter operation and adaptability to extension and development over time and increased capacity requirements. The specifications and evaluation criteria shall also address the cost of the vehicle system; the effect of the vehicle system on the cost of other elements of the people mover system; construction, operating, and maintenance costs; winter operation; the ability of the supplier to perform design, furnishing, installing, and testing services for all vehicle system elements and to coordinate construction; ability of the supplier to meet requirements imposed as contract conditions in any grant contract entered into with the federal government; and such other matters as the city deems necessary. During the development of system evaluation criteria and specifications, all prospective system suppliers shall be provided an opportunity to present the unique capabilities of their system, to comment on the draft evaluation criteria and specifications, and to propose changes in the specifications to allow the unique capabilities of their system to improve the system performance.*

Subd. 2. [BIDS; SYSTEM EXTENSION.] *The cost of preparing and submitting bids shall be paid by bidders. Bidders may propose beneficial alternatives for the people mover system*

which are unique to their system or which would improve the system performance. The alternatives shall be reviewed and evaluated against the evaluation criteria. If the capital cost of the accepted bid is sufficiently less than the available capital funds to allow extensions of the people mover system, the urban mass transportation administration shall be requested to approve an extension. The city shall select the extension based on community acceptance and ridership potential.

Subd. 3. [SELECTION OF SUPPLIER; CONTRACT REQUIREMENTS.] Notwithstanding the provisions of Minnesota Statutes, Section 471.345 and 471.35, or any other provision of law or charter, contracts for the acquisition and betterment of the people mover system shall be awarded to the bidder whose proposal is determined pursuant to subdivisions 1 and 2 to best meet the system specifications and evaluation criteria. The city shall review and evaluate submitted bids on the basis of the system specifications and evaluation criteria developed pursuant to subdivision 1. The purchase contract for the vehicle system shall require the supplier to assure that the vehicle system operates within the specifications of the contract and to maintain the vehicle system for a five year period of revenue service at a fixed base price with escalation clauses. The contract shall contain a provision permitting termination by the contracting agency of the operation and maintenance portion of the contract at the end of any year of revenue service. The supplier of the vehicle system and all contractors for the people mover system, at the time of execution of a contract shall furnish a payment or performance bond as security for the faithful payment and performance of all obligations under the contract. All contracts for the people mover system shall include disincentives in an appropriate amount for failure to comply with the contract and may include incentives as appropriate. All contracts shall contain provisions for a maximum contract amount not to be exceeded without the approval of the city.

Subd. 4. [CERTIFICATION.] No revenue service of the people mover system shall begin until written notice is received by the city, signed by the administrator of the urban mass transportation administration, stating that the vehicle system or the part proposed to be operated has been fully tested, that it meets the criteria for acceptance established by the contracting agency with the concurrence of the administrator, and that it is ready for year-around revenue service. The purchase contract for the vehicle system shall so provide. The written notice from the administrator shall not imply any legal liability of the federal government for construction or operation of the people mover system.

Sec. 172. [SPECIAL ASSESSMENT.] The people mover system and related facilities are determined to be local improvements within the meaning of the Minnesota Constitution, Arti-

cle X, the city's charter, and Minnesota Statutes, Chapters 429 and 430. Accordingly, the costs of acquisition, construction, reconstruction, extension, operation, maintenance and promotion of the people mover system and such facilities, whether paid or to be paid by the city may be specially assessed against property determined to be specially benefited thereby, to the extent of and in proportion to the benefits, except that special assessments shall be forgiven against property owned by the state of Minnesota or any instrumentality of the state. Special assessments which are pledged to the payment of improvement warrants or other obligations shall be levied separately and the proceeds segregated from any other special assessments authorized by this section. The special assessment shall be levied by the city pursuant to its charter, Minnesota Statutes, Chapter 429 or 430, and the collections thereof may be pledged to the payment of the costs.

Sec. 173. [OPERATING DEFICIT; PAYMENT.] *The city and the owners of benefited properties shall share in the payment of the operating deficit in such proportion as determined by the city. Payment by owners of benefited properties may be levied as special assessments pursuant to the St. Paul People Mover Act. The city share shall not be included in any ad valorem tax levy of the city. The commission shall not participate in any deficit funding of the people mover system.*

Sec. 174. [CAPITOL AREA FACILITIES; STATE OWNED PROPERTY.] *Subdivision 1. Construction of the people mover system within the capitol area shall be exempt from the provision of Minnesota Statutes 1978, Section 15.50, Subdivision 2, Clause (e), requiring design competition, except that capitol station west shall be subject to an invited competition, as defined in part II, 6, c(2) of the American Institute of Architecture document number 6-J332, issued November, 1976, sponsored and conducted by the capitol area architectural and planning board upon guidelines and criteria as determined by agreement between that board and the city. People mover system improvements within the capitol area shall be in conformity with the comprehensive use plan for the capitol area and subject to the approval of the capitol area architectural and planning board.*

Subd. 2. The commissioner of administration on behalf of the state may grant to the city, without compensation, easements for the construction, location and operation of the people mover system upon state owned property. The commissioner of administration and the urban mass transportation administration shall establish the value of easements and related access facilities in the capitol area which will be required for the people mover and which are eligible in lieu of cash as local contributions to the capital cost of the people mover project.

Sec. 175. [METROPOLITAN COUNCIL REVIEW AND RECOMMENDATION.] *The metropolitan council established*

by Minnesota Statutes, Section 473.123, in making its review under Minnesota Statutes, Section 473.171, of the application for a federal grant in connection with the people mover system as a matter of metropolitan significance, shall conduct a public hearing upon the application and the program proposed thereby within 30 days of submission of the application to the council. Not less than 14 days before the hearing the council shall publish notice thereof in a newspaper having general circulation in the metropolitan area, stating the date, time and place of hearing, and the place where the application may be examined by any interested person. Within 14 days after the hearing the council shall make its recommendation upon the application and cause notice of the same to be published in the same manner as the hearing notice.

Sec. 176. [JUDICIAL PROCEEDINGS; TIME TO COMMENCE.] No action shall be commenced or maintained, nor defense interposed in an eminent domain proceeding, questioning the public purpose, propriety of expenditure of public funds, or validity of any law authorizing the acquisition, betterment, operation, maintenance or financing of the people mover system, except by lawsuit commenced in the district court of Ramsey County within 90 days of the date of publication of the metropolitan council recommendation given pursuant to the St. Paul People Mover Act, or within 90 days of the date of written notice mailed to persons whose property may be taken by subsequent proceedings in eminent domain for the people mover system or right of way. Such action timely commenced by any taxpayer, any person whose property is or may be taken or interfered with by reason of the proposed implementation of the people mover system, or other person with standing, shall be maintained in the manner provided by law, including Minnesota Statutes, Chapter 562. Nothing in this section nor notice given pursuant thereto shall be construed as a taking of private property, nor as limiting a property owner's right to just compensation for the taking of private property to be litigated in proceedings in eminent domain subsequently instituted under charter or Minnesota Statutes, Chapter 117, for the taking and assessment and award of damages.

Sec. 177. [CAPITAL EXPENDITURES; SALES TAX.]
Subdivision 1. [COMMISSION EXPENDITURES PROHIBITED.] The commission shall expend no money for the acquisition or betterment of the people mover system.

Subd. 2. [SALES TAX.] The sale of equipment, material, and tangible personal property to any person under contract with the city or a contracting agency to be used for the acquisition and betterment of the vehicle system and people mover system shall be subject to taxation by the state or its political subdivisions. The value of such tax shall be applied to the local contribution for federal grant purposes to the extent permitted by federal rule and regulation.

Sec. 178. [IMPROVEMENT WARRANTS; BONDS.] *Subdivision 1. [IMPROVEMENT WARRANTS.] The city may issue and sell improvement warrants to finance the acquisition and betterment of the people mover system in accordance with the provisions of Minnesota Statutes, Chapter 429 for which the full faith and credit of the city is not pledged and which shall be payable solely from special assessments levied against benefited property.*

Subd. 2. [BONDS.] The city may issue and sell bonds for the acquisition and betterment of the people mover system in an amount not to exceed the total estimated costs of such acquisition and betterment. The city may loan the proceeds of such bonds to a nonprofit corporation to be used for such purpose in which event the city and nonprofit corporation shall enter into an agreement which shall provide for payment to the city by the nonprofit corporation of sums sufficient to pay the principal and interest on such bonds. The agreement may contain such other provisions relating to security for the bonds, the use of a trustee, remedies of bondholders, investment of bond proceeds, issuance of temporary bonds or notes, or any other matter, without limitation, as may be necessary or desirable for implementing the provisions of the St. Paul People Mover Act and financing the people mover system. The bonds shall be issued in accordance with the provisions of Minnesota Statutes, Chapter 475, except section 475.61 and except that neither public sale nor election is required, 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 bear interest at such rate or rates, as may be agreed by the purchaser and the city, notwithstanding any limitation of interest rate or cost or of the amounts of annual maturities contained in any other law or charter. Bonds issued under this subdivision shall not constitute a debt within the meaning of any debt limitation established by law or charter, and no holder or holders of the bonds shall have the right to compel any exercise of the taxing power of the city to pay any such bonds or interest thereon, or to enforce payment thereof against any property of the city. The city or other owner of the people mover system is authorized to pledge, mortgage, and give a security interest therein to secure the bonds, except that no ad valorem tax levy of the city shall be used to secure the bonds. Any earnings on such bonds which are not used for payment of the bonds and interest thereon may be used to pay capital and operating costs of the people mover system or may be applied to reduce the total amount of special assessments levied or to be levied pursuant to the St. Paul People Mover Act, or both.

Subd. 3. [TAX EXEMPT BONDS.] Interest paid on bonds issued under authority of this section shall not be included in gross income for the purpose of computing any tax imposed by or under the provisions of Minnesota Statutes, Chapter 290 or any act amendatory thereof or supplemental thereto.

Sec. 179. [ADDITIONAL AND SUPPLEMENTAL POWERS; CHARTER PROVISIONS.] *The powers conferred by the St. Paul People Mover Act shall be in addition and supplemental to the powers conferred by any other law or charter. The city may exercise the powers conferred notwithstanding any law or charter provision and without election, except a charter provision for initiative or referendum.*

Sec. 180. [STATE NOT OBLIGATED.] *The authorization for the acquisition of a people mover system in the city of St. Paul is made on the basis that the system will be locally and federally financed and produce revenues that, with local and federal sources, will be sufficient to meet all operating costs and debt retirement. This authorization does not constitute a direct or indirect obligation of the state. The notes and bonds issued to finance the people mover system shall contain on their face a statement that the notes or bonds are not a debt of the state and that the state of Minnesota is not liable on them. This section is intended to forestall any unwarranted attempt by any person to cause damage to the credit rating of the state in order to force the state to assume an obligation for which it is neither legally nor morally responsible.*

Sec. 181. [COPPER NICKEL STUDY REVIEW.] *The Minnesota state planning agency, the Minnesota pollution control agency, the Minnesota department of natural resources, and the Minnesota department of health shall by January 1, 1981, review the Minnesota Regional Copper Nickel Study, authorized by Laws 1975, Chapter 204, and shall report to the legislature, the house committee on environment and natural resources, and the senate committee on agriculture and natural resources concerning any changes in statutory authority, administrative rules and current policies and procedures that are necessary or desirable to respond to the development of the copper and nickel resource in Minnesota, and shall propose alternative legislative policies pertaining to the development of that resource.*

Sec. 182. [TRANSPORTATION FINANCE STUDY COMMISSION.] *Subdivision 1. An interim transportation finance study commission is created to examine the total state transportation system, present and future needs of the system, and the sources of transportation revenue of this state. In examining the programs of the state transportation system, the commission shall review and make recommendations regarding the need and advisability of maintenance, upgrading, and new construction after analyzing the system to determine where reductions in design would minimize economic and social costs and adverse impacts.*

Subd. 2. In addition to the examination of the management and program system and its sources of revenue, the commission shall:

(a) Study and make recommendations regarding present and future finance methods and improved use of resources for the construction and maintenance of the state transportation system;

(b) Conduct a survey of communities within the state in order to determine:

(1) Which communities are not adequately being served by either rail access or nine ton roads;

(2) The costs of upgrading roads to either nine or ten ton capacity in those communities that are not adequately serviced; and

(3) Any other information concerning the possible improvement and revitalization of transportation services to those communities that the commission deems relevant; and

(c) File a report by January 1, 1981, with the legislature.

Subd. 3. The commission shall consist of two public members and five members of the senate to be appointed by the subcommittee on committees of the committee on rules and administration of the senate, and two public members and five members of the house of representatives to be appointed by the speaker. The governor shall appoint five additional members representing a broad cross-section of the public interest. The compensation of non-legislator members, their removal, and the filling of vacancies shall be as provided in Minnesota Statutes, Section 15.059. The members of the commission shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties. For legislative members, reimbursement shall be made pursuant to the rules governing legislators and legislative employees. Expenses of the commission shall be approved by the chairman and the expenses shall be paid in the same manner as other state expenses are paid.

Subd. 4. The commission shall exist and act from the date its members are appointed. The commission is terminated on January 1, 1981.

Subd. 5. The commission shall hold meetings at the times and places it may designate. It shall select a chairman and other officers from its membership.

Subd. 6. The commission may request information and staff assistance from any state officer or agency to assist it in carrying out the duties specified in subdivision 2. The officer or agency shall promptly furnish any data and staff assistance requested to the extent permitted by law.

Sec. 183. [CORRECTIONAL SERVICES FINANCING; STUDY COMMITTEE EXTENSION.] *Notwithstanding the provisions of Laws 1979, Chapter 336, Section 4, Subdivision 4, the committee created to study the financing of correctional services and the Community Corrections Act in Minnesota may continue to meet until it has completed its report to the legislature, but not after January 1, 1981.*

Sec. 184. [NURSING HOME REIMBURSEMENT RATES.] *The commissioner of public welfare shall promulgate temporary rules no later than July 1, 1980 to amend the current rules governing nursing home reimbursement to allow those nursing homes that incurred in calendar year 1979 nursing hours in excess of 2.8 hours per day for skilled nursing care or 2.2 hours per day for intermediate care to receive reimbursement for actual nursing hours up to a maximum number of 3.2 hours per day for skilled nursing care and 2.45 hours per day for intermediate care for only those cost reports submitted on or after July 1, 1980 and before July 1, 1981.*

Sec. 185. [CONSERVATION OF BIOMASS FUEL, FIREWOOD.] *In any instance where trees or portions of trees usable as firewood are removed from property under the control of a public utility, pipeline company, railroad, state agency or department, or a political subdivision, that portion of the tree material that is six inches or larger in diameter shall not be destroyed by open burning or deposited in a landfill without first having been offered for use to the public, subject to the approval of the landowner or landowners involved. This section shall not apply to tree material removed in a program of sanitation or disease control, as defined in Minnesota Statutes, 1979 Supplement, Section 18.023.*

Sec. 186. [OPEN APPOINTMENTS.] *The open appointments program shall not apply to any appointments made jointly by the governor, attorney general, and chief justice.*

Sec. 187. [COUNCIL ON BLACK MINNESOTANS.] *Subdivision 1. [CREATION.] There is created a state council on Black Minnesotans to consist of seven members appointed by the governor. The members of the council shall be broadly representative of the Black community of the state and shall include at least three males and at least three females. Membership terms, compensation, removal of members and filling of vacancies for non-legislative members shall be as provided in Minnesota Statutes, Section 15.059. In addition, two members of the house of representatives appointed by the speaker and two members of the senate appointed by the subcommittee on committees of the committee on rules and administration shall serve as ex-officio, non-voting members of the council. The council shall annually elect from its membership a chairperson and other officers it deems necessary.*

Subd. 2. [DEFINITIONS.] For the purpose of this section, the term "Black" means a person who considers himself or herself as having origin in any of the black racial groups of Africa.

Subd. 3. [DUTIES.] The council shall:

(a) Advise the governor and the legislature on the nature of the issues confronting Black people in this state;

(b) Advise the governor and the legislature on statutes or rules necessary to insure Black people access to benefits and services provided to people in this state;

(c) Recommend to the governor and the legislature any revisions in the state's affirmative action program and any other steps that are necessary to eliminate underutilization of Blacks in the state's work force;

(d) Recommend to the governor and the legislature legislation designed to improve the economic and social condition of Black people in this state;

(e) Serve as a conduit to state government for organizations of Black people in the state;

(f) Serve as a referral agency to assist Black people in securing access to state agencies and programs;

(g) Serve as a liaison with the federal government, local government units and private organizations on matters relating to the Black people of this state;

(h) Perform or contract for the performance of studies designed to suggest solutions to problems of Black people in the areas of education, employment, human rights, health, housing, social welfare and other related areas;

(i) Implement programs designed to solve problems of Black people when so authorized by other statute, rule or order; and

(j) Publicize the accomplishments of Black people and the contributions made by them to this state.

Subd. 4. [REVIEW OF GRANT APPLICATIONS.] All applications by a state department or agency for the receipt of federal funds which will have their primary effect on Black Minnesotans shall be submitted to the council for review and recommendation at least 30 days prior to submission to a federal agency.

Subd. 5. [POWERS.] *The council shall have power to contract in its own name, provided that no money shall be accepted or received as a loan nor shall any indebtedness be incurred except as otherwise provided by law. Contracts shall be approved by a majority of the members of the council and executed by the chairperson and the executive director. The council may apply for, receive, and expend in its own name grants and gifts of money consistent with the power and duties specified in subdivisions 1 to 7.*

The council shall appoint an executive director who shall be experienced in administrative activities and familiar with the problems and needs of Black people. The council may delegate to the executive director any powers and duties under subdivisions 1 to 7 which do not require council approval. The executive director shall serve in the unclassified service and may be removed at any time by the council. The executive director shall recommend to the council the appropriate staffing necessary to carry out its duties. The commissioner of administration shall provide the council with necessary additional staff and administrative services, and the council shall reimburse the commissioner for the cost of these services.

Subd. 6. [STATE AGENCY ASSISTANCE.] *Other state agencies shall supply the council upon request with advisory staff services on matters relating to the jurisdiction of the council and the council shall cooperate and coordinate its activities with other state agencies to the highest possible degree.*

Subd. 7. [REPORT.] *The council shall prepare and distribute a report to the governor and legislature by November 15 of each even numbered year. The report shall summarize the activities of the council since its prior report, list receipts and expenditures, identify the major problems and issues confronting Black people, and list the specific objectives which the council seeks to attain during the next biennium.*

Sec. 188. [REPORT; COORDINATION.] *On or before December 15, 1981, the commissioner of administration shall submit to the chairman of the house appropriations committee and the chairman of the senate finance committee a report describing the process whereby the efforts of the council for black Minnesotans, the council on spanish-speaking people, the council on the economic status of women, the council on the handicapped, and the Indian affairs intertribal board may be coordinated and may share facilities and staff.*

Sec. 189. [ADVANCE INFLATION ADJUSTMENT.] *Subdivision 1. (a) Any employee not represented by an exclusive bargaining representative and compensated pursuant to Minnesota Statutes, Section 43.12, or under a salary schedule established pursuant to section 43.121, subdivision 3, except an emergency, project, or temporary employee or an employee compensated pursuant to section 43.12 and excluded from a bargain-*

ing unit by section 179.74, subdivision 4; and (b) any employee compensated pursuant to Minnesota Statutes, Section 138.01, Subdivision 2; shall be paid a lump sum bonus of \$225 payable no later than July 31, 1980, provided he was employed prior to January 1, 1980, and was still employed on July 1, 1980. However, intermittent employees and nontenured laborers who otherwise meet the employment requirements of this section shall only be eligible to receive the bonus after completion of 100 working days in any 12-month period. Part-time employees who meet the employment requirements of this section shall receive a bonus of \$137.50 on the date specified in this section.

Subd. 2. An employee shall be considered to be employed on July 1, 1980, if he is in payroll status, on approved leave of absence, or on seasonal layoff on that date.

Subd. 3. The bonus provided by this section shall not be considered as salary for the purpose of section 352.01, subdivision 13.

Subd. 4. Anyone receiving a bonus payment pursuant to Laws 1979, Chapter 332, Sections 108 and 109, is not eligible for a bonus payment under this section.

Sec. 190. [TRANSIT TAX INCREASE VOIDED.] A law enacted at the 1980 regular session styled as H. F. No. 1121, Article XIII, Section 1, is repealed, and Minnesota Statutes, 1979 Supplement, Section 473.446, Subdivision 1, is reenacted as it read without the amendment by H. F. No. 1121, Article XIII, Section 1, notwithstanding that H. F. No. 1121 may be approved or effective at a later time than this section.

Sec. 191. [REPEALER.] Subdivision 1. Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; and Laws 1979, Chapter 217, Section 11, are repealed.

Subd. 2. Minnesota Statutes, 1979 Supplement, Section 16.965 is repealed.

Subd. 3. Minnesota Statutes, 1979 Supplement, Section 43.067, Subdivision 4, is repealed.

Subd. 4. Laws 1977, Chapter 454, Section 45, is repealed.

Sec. 192. [EFFECTIVE DATE.] Except as otherwise provided in this act, this act is effective the day following final enactment. Section 55 is effective retroactive to April 1, 1980. Sections 87 and 88 are effective for any notice of the objects of the petition served after the day following final enactment. Sections 85 and 86 are effective for each district named in section 86 upon approval by a majority of the board of managers of

the respective districts, and upon compliance with the provisions of Minnesota Statutes, Section 645.021. Sections 163 to 180 are effective upon approval by resolution of the St. Paul city council. The resolution shall be adopted after published notice to the public and public hearing. Sections 37 to 39, 49, 51, 57, 60 to 68, 70 to 74, 79, 81 to 83, 89, 101 to 123, 126, 128, 135 to 145, 148, 152, and 155, are effective July 1, 1980. Section 187 is effective July 1, 1980 and expires June 30, 1983. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (b), section 155 is effective without local approval July 1, 1980. Section 157 is effective March 1, 1981 and applies to causes of action accruing on or after that date. Section 191, subdivision 2 is effective July 1, 1981."

Further, delete the title and insert:

"A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; imposing conditions on the expenditure of public money; creating, abolishing, modifying, and transferring agencies and functions; fixing and limiting fees; altering conditions of public employment; authorizing purchase, sale, and transfer of public lands; authorizing certain public improvements of a capital nature; requiring studies and reports; limiting liability in certain civil actions; exempting certain motor vehicle sales transactions from regulation by the banking commissioner; regulating drainage systems in the metropolitan area; regulating administration of the Nine Mile Creek Watershed District, the Riley-Purgatory Creek Watershed District and the Red Lake Watershed District; authorizing an ad valorem tax for certain purposes; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 10A.01, Subdivision 10c; 11.15, Subdivision 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivisions 1 and 2; 16.02, Subdivision 10; 16.854, Subdivision 1; 16A.131; 16A.67, Subdivision 1; 16A.721; 43.05, Subdivision 2; 43.062, Subdivisions 1 and 2; 43.065; 43.067, Subdivision 2; 43.068; 43.09, Subdivision 2a; 43.323, Subdivision 1; 43.324, Subdivision 2; 43.35; 62D.12, by adding a subdivision; 82.34; 90.195; 94.10, Subdivision 1; 94.16; 97.431; 97.432; 106.471, by adding a subdivision; 116C.63, Subdivision 4; 116D.04, by adding a subdivision; 136.81, Subdivision 1; 145.913, Subdivision 3; 155.14; 168.66, Subdivision 4; 174.03, by adding a subdivision; 197.75, Subdivision 1; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 238.08, by adding a subdivision; 245.814; 246.014; 256.73, Subdivision 2; 256D.06, by adding a subdivision; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3;

352B.25; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 401.02, Subdivision 3; 403.11, Subdivision 3; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; 473.408, Subdivision 3; 473.435; 473.641, by adding a subdivision; 490.123, Subdivision 1; Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 112, by adding a section; 138, by adding a section; 152, by adding a section; 216A, by adding a section; 246, by adding a section; 253, by adding a section; 256, by adding a section; 259, by adding a section; 326, by adding a section; 544, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.005, Subdivision 4; 15A.083, Subdivision 4; 16A.126; 43.062, Subdivision 3; 43.15, Subdivision 1; 43.24; 82.21, Subdivision 1; 174.28, Subdivision 2; 180.03, Subdivision 2; 299D.03, Subdivision 2; 354A.12, Subdivision 2; 422A.101, Subdivision 3; 465.72; Laws 1959, Chapter 690, Section 2, as amended; and Laws 1979, Chapter 332, Article I, Section 115, Subdivision 2; repealing Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.965 and 43.067, Subdivision 4; Laws 1977, Chapter 454, Section 45; Laws 1979, Chapter 217, Section 11; and a law enacted at the 1980 regular session styled as H. F. No. 1121, Article XIII, Section 1; reenacting Minnesota Statutes, 1979 Supplement, Section 473.446, Subdivision 1."

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

House Conferees: PAUL McCARRON, PHYLLIS L. KAHN, GLEN H. ANDERSON, MARY M. FORSYTHE and WAYNE A. SIMONEAU.

Senate Conferees: ROGER D. MOE, NICHOLAS D. COLEMAN, ROBERT O. ASHBACH, ALLAN H. SPEAR and GERALD L. WILLET.

McCarron moved that the report of the Conference Committee on H. F. No. 2476 be adopted and that the bill be repassed as amended by the Conference Committee.

Fritz moved that the Conference Committee report on H. F. No. 2476 be rejected, that the bill be returned to the Conference Committee and that the Conference Committee be instructed to delete sections 168 to 180.

A roll call was requested and properly seconded.

Weaver moved to amend the Fritz motion as follows:

After "sections" insert "84."

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

Redalen moved to amend the Fritz motion as follows:

After "84," insert "164,"

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

Wenzel, Kempe and Sviggum moved to amend the Fritz motion as follows: "to further instruct the conferees to include Section 7 of S. F. No. 1325, the provision allowing Health Maintenance Organizations to exclude abortions."

A roll call was requested and properly seconded.

The question was taken on the Wenzel, Kempe and Sviggum amendment to the Fritz motion and the roll was called.

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

There were 84 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Johnson, D.	Niehaus	Sherwood
Adams	Drew	Jude	Norman	Stadum
Ainley	Eken	Kalis	Nysether	Stoa
Albrecht	Elioff	Kelly	Olsen	Stowell
Anderson, B.	Erickson	Kempe	Onnen	Sviggum
Anderson, D.	Esau	Knickerbocker	Osthoff	Swanson
Anderson, G.	Evans	Kroening	Peterson, B.	Thiede
Anderson, I.	Fjoslien	Kvam	Piepho	Valan
Anderson, R.	Fritz	Laidig	Prahl	Valento
Battaglia	Fudro	Levi	Redalen	Vanasek
Begich	Halberg	Ludeman	Rees	Weaver
Biersdorf	Haukoos	Luknic	Reif	Welch
Blatz	Heap	McDonald	Rice	Welker
Byrne	Hoberg	McEachern	Rose	Wenzel
Carlson, D.	Jacobs	Mehrkens	Rothenberg	Wigley
Crandall	Jennings	Murphy	Sarna	Zubay
Dempsey	Johnson, C.	Nelsen, B.	Schreiber	

Those who voted in the negative were:

Berglin	Faricy	Kostohryz	Otis	Simoneau
Carlson, L.	Forsythe	Lehto	Peterson, D.	Tomlinson
Casserly	Friedrich	Long	Pleasant	Voss
Clark	Greenfield	Mann	Reding	Waldorf
Clawson	Heinitz	McCarron	Rodriguez	Wynia
Corbid	Hokanson	Minne	Searle	Spkr. Norton
Dean	Jaros	Moe	Searles	
Ellingson	Kahn	Munger	Sieben, H.	
Ewald	Kaley	Novak	Sieben, M.	

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

The question recurred on the Fritz motion, as amended, to reject the Conference Committee report on H. F. No. 2476 and the roll was called. There were 65 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kroening	Onnen	Stadum
Ainley	Fjoslien	Kvam	Osthoff	Stowell
Albrecht	Friedrich	Ludeman	Peterson, B.	Sviggum
Anderson, D.	Fritz	Luknic	Piepho	Thiede
Anderson, I.	Halberg	McDonald	Prahl	Tomlinson
Biersdorf	Haukoos	Mehrkens	Redalen	Valan
Blatz	Hoberg	Metzen	Rees	Valento
Carlson, D.	Jennings	Nelsen, B.	Reif	Weaver
Crandall	Johnson, D.	Nelsen, M.	Rice	Welker
Dempsey	Jude	Niehaus	Rothenberg	Wenzel
Den Ouden	Kaley	Norman	Sarna	Wieser
Drew	Kempe	Nysether	Searles	Wigley
Erickson	Knickerbocker	Olsen	Sherwood	Zubay

Those who voted in the negative were:

Adams	Corbid	Jacobs	Minne	Searle
Anderson, B.	Dean	Jaros	Moe	Sieben, H.
Anderson, G.	Eken	Johnson, C.	Munger	Sieben, M.
Anderson, R.	Elioff	Kahn	Murphy	Simoneau
Battaglia	Ellingson	Kalis	Novak	Stoa
Begich	Evans	Kelly	Otis	Swanson
Berglin	Ewald	Kostohryz	Patton	Vanasek
Berkelman	Faricy	Laidig	Pehler	Voss
Brinkman	Forsythe	Lehto	Peterson, D.	Waldorf
Byrne	Fudro	Levi	Pleasant	Welch
Carlson, L.	Greenfield	Long	Reding	Wynia
Casserly	Heap	Mann	Rodriguez	Spkr. Norton
Clark	Heinitz	McCarron	Rose	
Clawson	Hokanson	McEachern	Schreiber	

The motion did not prevail.

POINT OF ORDER

Weaver raised a point of order pursuant to rule 6.11. Speaker pro tem Faricy ruled the point of order not well taken.

The question recurred on the McCarron motion that the report of the Conference Committee on H. F. No. 2476 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2476, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivision 1; 16.854, Subdivision 1; 16A.131, by adding a subdivision; 16A.67, Subdivision 1; 16A.721; 43.005, by adding a subdivision; 43.05, Subdivision

2; 43.062, Subdivisions 1, 2 and 3; 43.065; 43.067, Subdivision 2; 43.068; 43.323, Subdivisions 1 and 2; 43.35; 62D, by adding a subdivision; 82.34; 90.195; 94.10, Subdivision 1; 94.16; 121.90; 121.902, Subdivision 1; 121.906, Subdivision 2; 121.908; 121.912, Subdivision 2; 121.914, Subdivision 1; 136.81, Subdivision 1; 145.913, Subdivision 3; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62, Subdivisions 2 and 3; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 246.014; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 403.11, Subdivision 3; 473.408, Subdivision 3; 490.123, Subdivision 1; and Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 121, by adding sections; 216A, by adding a section; 246, by adding a section; 253A, by adding a section; 256, by adding a section; 259, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.3005, Subdivision 4; 15A.083, Subdivision 4; 16A.126; 174.28, Subdivision 2; 43.09, Subdivision 2a; 43.24; 82.81, Subdivision 1; 121.917, Subdivision 4; 354A.12, Subdivision 2; 422A.101, Subdivision 3; and Laws 1979, Chapter 300, Section 4, Subdivisions 1 and 5; 301, Section 3 by adding a subdivision; repealing Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 121.92, Subdivision 1; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.93; 16.965; 121.92, Subdivision 2; and Laws 1979, Chapter 217, Section 11.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Fritz moved that those not voting be excused from voting. The motion did not prevail.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 75 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Adams	Berglin	Clark	Evans	Heinitz
Ainley	Berkelman	Clawson	Ewald	Hokanson
Anderson, G.	Blatz	Corbid	Fjoslien	Jacobs
Anderson, I.	Brinkman	Dean	Forsythe	Jaros
Anderson, R.	Byrne	Eken	Fudro	Johnson, C.
Battaglia	Carlson, L.	Elioff	Greenfield	Jude
Begich	Cassery	Ellingson	Heap	Kahn

Kalis	Long	Murphy	Rice	Swanson
Kelly	Luknic	Nelsen, M.	Rodriguez	Thiede
Knickerbocker	Mann	Norman	Sarna	Tomlinson
Kostohryz	McCarron	Novak	Schreiber	Vanasek
Kroening	McEachern	Otis	Searle	Voss
Laidig	Minne	Pehler	Sherwood	Waldorf
Lehto	Moe	Peterson, D.	Simoneau	Welch
Levi	Munger	Reding	Stoa	Spkr. Norton

Those who voted in the negative were:

Aasness	Faricy	McDonald	Pleasant	Valan
Albrecht	Friedrich	Mehrkens	Prahl	Valento
Anderson, B.	Fritz	Metzen	Redalen	Weaver
Anderson, D.	Halberg	Nelsen, B.	Rees	Welker
Biersdorf	Haukoos	Niehaus	Reif	Wenzel
Carlson, D.	Hoberg	Nysether	Rose	Wieser
Crandall	Jennings	Olsen	Rothenberg	Wigley
Dempsey	Johnson, D.	Onnen	Sieben, H.	Wynia
Den Ouden	Kaley	Osthoff	Sieben, M.	Zubay
Drew	Kempe	Patton	Stadum	
Erickson	Kvam	Peterson, B.	Stowell	
Esau	Ludeman	Piepho	Sviggum	

The bill was repassed, as amended by Conference, and its title agreed to.

MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1121, A bill for an act relating to the operation and financing of state and local government; adopting certain federal income tax changes; allowing a subtraction of certain interest and dividend income; increasing the pension exclusion; adopting technical and conforming amendments to income tax and property tax refund provisions; providing an income tax credit for contributions to candidates for federal offices; providing a definition of "quadriplegic"; increasing low income credit amounts, eliminating indexing of that credit, and allowing it to be taken as an alternative tax; modifying provisions of the renewable energy source credit; authorizing deduction of certain interest; increasing the dependent care credit; allowing involuntary conversion treatment of divestitures required by the F.C.C.; authorizing a non-game wildlife income tax refund checkoff; providing for treatment of small business corporations; providing for taxation of mobile homes; increasing the state share of certain income maintenance payments; providing for taxation of airport concessions; eliminating certain property tax exemptions; adjusting property tax classifications and assessment ratios; increasing the homestead credit; allowing homestead of surviving spouse to retain 3cc classification; adjusting levy limitations; requiring study of agricultural land val-

uations; modifying the administration of the property tax refund; providing relief for substantial homestead net property tax increases in 1981; requiring state reimbursement of local taxing districts for reduced property tax revenue due to reduced assessment properties; providing certain state and local sales tax exemptions; authorizing certain carriers to be treated as common carriers; providing technical and conforming amendments to tax increment financing provisions; providing for adjustments to captured assessed values and original assessed values; authorizing assessment agreements; restricting use of proceeds of taconite production tax to the taconite relief area; providing for membership of IRRRB; altering source and distribution of certain payments related to taconite taxes; restating apportionment of imputed income under occupation tax provisions; adjusting maximum interest rates on industrial revenue bonds and municipal bonds; increasing limit on issues requiring public sales; eliminating minimum tax on corporations and specific exemption for corporations; providing for taxation of utility property on situs basis; adjusting computation of credit paid to owners of rights of way; restricting procedure for appeals of special assessments; requiring collection of certain debts owed to the state by taking tax refunds; increasing the metropolitan transit levy authorization; creating a joint commuter rail study commission; providing for a study of light rail transit; recodifying the laws governing the state board of investment; altering standards for the investment of state and pension assets; modifying public employee pension provisions and funding mechanisms; making certain changes in the Minneapolis employees retirement fund; authorizing contributions by corporations in relation to ballot questions; allowing deductions from state employees salaries for the Minnesota benefit association; restricting interest related to condemnation actions; providing for taxation of ethyl alcohol; reducing the excise tax on gasohol; authorizing heat-applied cigarette tax stamps; providing county option to impose gravel tax; authorizing licensure of farm wineries and providing for excise tax on wine produced on farm wineries; making reduction of excise tax on sparkling wines permanent; allowing local government to set mileage reimbursement rates; appropriating funds; providing penalties; amending Minnesota Statutes 1978, Sections 10.39, Subdivision 1; 10A.01, Subdivisions 7, 7a, 7b, 10, 10c, 15, 16, and by adding a subdivision; 10A.12, Subdivision 1; 10A.20, Subdivisions 3 and 6; 10A.32, Subdivision 3; 69.77, Subdivision 2, as amended; 69.775; 117.155; 124.212, Subdivisions 2 and 8a; 124.46, Subdivision 4; 167.42; 167.50, Subdivision 2; 168.012, Subdivision 9; 193.146, Subdivision 4; 210A.26, Subdivision 3, and by adding a subdivision; 210A.34, Subdivision 1, and by adding subdivisions; 272.01, Subdivision 2; 273.13, Subdivisions 3, 8a, 9, and 17b; 273.135, Subdivision 2; 273.19, Subdivision 1; 273.36; 273.37, Subdivision 2; 275.11, Subdivision 2; 275.28, Subdivision 3; 275.51, by adding a subdivision; 275.52, Subdivisions 2 and 5; 276.04; 290.01, by adding a subdivision; 290.06, Subdivision 1; 290.067, Subdivision 2; 290.08; Subdivision 24; 290.09, Subdivi-

sions 2 and 28; 290.095, by adding a subdivision; 290.13, by adding a subdivision; 290.17, by adding a subdivision; 290.26, Subdivision 2; 290.49, Subdivision 10; 290.971, Subdivisions 1, 3 and 6; 290.972, Subdivisions 1, 3 and 5; 290A.04, by adding a subdivision; 290A.06; 290A.11, by adding a subdivision; 290A.17; 290A.18; 290A.19; 296.01, by adding a subdivision; 296.02, by adding a subdivision; 296.14, by adding a subdivision; 297.03, Subdivision 6; 297A.01, Subdivision 4; 297A.211, Subdivision 1; 298.17; 298.22, Subdivision 2; 298.223; 298.28, Subdivision 1; 298.293; 340.47, Subdivisions 1 and 1a; 352.115, Subdivision 8; 352.23; 352.75, Subdivision 3; 352B.26, Subdivision 3; 352D.04, Subdivision 2; 352D.05, Subdivisions 3 and 4; 353.657, Subdivision 3; 353.661, Subdivision 3; 375.192, Subdivision 1; 422A.02; 422A.03, Subdivisions 3 and 5; 422A.05, Subdivisions 1, 3 and 5, and by adding subdivisions; 422A.06, Subdivisions 1, 3, and 5; 429.061, Subdivisions 1 and 2; 429.081; 462.631, Subdivision 1; 471.665, Subdivision 3; 472A.02, by adding a subdivision; 474.06; 475.55; 475.60, Subdivision 2; 475.73, Subdivision 1; 490.123, Subdivision 1; 490.124, Subdivision 1; and Chapters 273; 290; 298; and 477A, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 15A.081, Subdivision 1; 43.064; 256.82; 256D.03, Subdivision 2; 256D.36, Subdivision 1; 272.02, Subdivision 1; 273.13, Subdivisions 4, 5a, 6, 7, 14a and 19; 273.42; 273.73, Subdivisions 7, 8, 10, 11 and 12; 273.74, Subdivision 3; 273.75, Subdivisions 1, 2, 5 and 6; 273.76, Subdivisions 1, 2, 3, and by adding subdivisions; 273.77; 273.78; 273.86, Subdivision 4; 275.125, Subdivision 9; 275.50, Subdivision 5; 275.51, Subdivision 3d; 290.01, Subdivision 20; 290.06, Subdivisions 11, 3c, 3d, 3f, and 14; 290.067, Subdivision 1; 290.081; 290.09, Subdivision 3; 290.091; 290.095, Subdivision 1; 290.14; 290.17, Subdivision 1; 290.37, Subdivision 1; 290A.03, Subdivision 3; 297A.25, Subdivision 1; 352D.02, Subdivision 1; 353.023; 422A.03, Subdivisions 1 and 2; 422A.08, Subdivision 2; 422A.09, Subdivision 3; 424A.02, by adding a subdivision; 424A.04; 471.665, Subdivision 1; 473.446, Subdivision 1; and 473F.08, Subdivision 6; and Laws 1979, Chapter 293, Section 10, Subdivision 1, and by adding a subdivision; and Chapter 303, Article II, Section 39; and repealing Minnesota Statutes 1978, Sections 11.01; 11.015; 11.04; 11.05; 11.06; 11.08; 11.10; 11.11; 11.115; 11.117, Subdivisions 1, 2, 3, 5 and 7; 11.12; 11.13; 11.14; 11.15; 11.16; 11.17; 11.18; 11.19; 11.20; 11.21; 11.22; 11.23; 11.24; 11.25; 11.26; 11.27; 11.28; 290.21, Subdivision 2; 290.971, Subdivision 5; 360.303; 422A.05, Subdivisions 2 and 4; 422A.07; 458.53; Minnesota Statutes, 1979 Supplement, Sections 11.117, Subdivisions 4 and 6; 11.118; 11.145; 273.122; 290.23, Subdivision 16; 340.47, Subdivision 1b; and Laws 1979, Chapter 293, Section 10, Subdivision 2.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1302, A bill for an act relating to commerce; permitting banks, trust companies and mutual savings banks to take junior liens under certain circumstances; requiring availability of bank ownership information; requiring the commissioner of banks to report on federal usury preemption; providing a federal preemption override; establishing certain time price differentials on retail installment sales of mobile homes; exempting certain insurance contracts, employee benefits and rights of action from garnishment or attachment; amending Minnesota Statutes 1978, Sections 48.19, Subdivision 1; 50.14, Subdivision 5; and 168.72; 550.37, by adding subdivisions; and Chapter 47, by adding sections; repealing Minnesota Statutes, 1979 Supplement, Section 48.185, Subdivision 2.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1813, A bill for an act relating to transportation; appropriating money for rail service improvement; authorizing issuance of state bonds.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2046, A bill for an act establishing the Minnesota small business conference; providing for its organization, meetings and procedures; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2268, A bill for an act relating to financial institutions; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; requiring commissioner to report on federal usury preemption; amending Minnesota Statutes 1978, Section 46.24; Chapter 47, by adding sections; and Minnesota Statutes, 1979 Supplement, Section 46.04.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 8, A bill for an act relating to taxation; gasoline tax; reducing the tax on grain alcohol gasoline; creating the Minnesota agricultural products industrial utilization board; appropriating money; amending Minnesota Statutes 1978, Sections 296.01, by adding a subdivision; 296.02, by adding a subdivision; 296.18, Subdivision 8; and Chapter 24, by adding a section.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Fjoslien moved that the House concur in the Senate amendments to H. F. No. 8 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

Prahl moved that the House refuse to concur in the Senate amendments to H. F. No. 8, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

The question was taken on the Prahl motion to refuse to concur in the Senate amendments to H. F. No. 8 and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 18 yeas and 111 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Hokanson	McEachern	Osthoff	Stoa
Battaglia	Jacobs	Minne	Otis	Welch
Begich	Kelly	Murphy	Prahl	
Eloff	Kempe	Nelsen, M.	Sarna	

Those who voted in the negative were:

Aasness	Drew	Kahn	Nysether	Stadum
Adams	Eken	Kaley	Olsen	Stowell
Ainley	Ellingson	Kalis	Onnen	Sviggum
Albrecht	Erickson	Knickerbocker	Patton	Swanson
Anderson, B.	Esau	Kostohryz	Pehler	Thiede
Anderson, D.	Evans	Kroening	Peterson, D.	Tomlinson
Anderson, G.	Ewald	Kvam	Piepho	Valan
Anderson, R.	Farcy	Laidig	Pleasant	Valento
Berglin	Fjoslien	Levi	Redalen	Vanasek
Berkelman	Forsythe	Long	Reding	Voss
Biersdorf	Friedrich	Ludeman	Rees	Waldorf
Brinkman	Fritz	Luknic	Reif	Weaver
Byrne	Fudro	Mann	Rice	Welker
Carlson, D.	Greenfield	McCarron	Rodriguez	Wenzel
Carlson, L.	Haukoos	McDonald	Rose	Wieser
Casserly	Heap	Mehrkens	Rothenberg	Wigley
Clark	Heinitz	Metzen	Schreiber	Wynia
Clawson	Hoberg	Moe	Searle	Zubay
Corbid	Jaros	Munger	Searles	Spkr. Norton
Crandall	Jennings	Nelsen, B.	Sherwood	
Dean	Johnson, C.	Niehaus	Sieben, H.	
Dempsey	Johnson, D.	Norman	Sieben, M.	
Den Ouden	Jude	Novak	Simoneau	

The motion did not prevail.

The question recurred on the Fjoslien motion that the House concur in the Senate amendments to H. F. No. 8 and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 76 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark	Evans	Haukoos	Kaley
Adams	Clawson	Ewald	Heinitz	Kalis
Ainley	Dean	Forsythe	Hoberg	Knickerbocker
Anderson, B.	Dempsey	Friedrich	Jaros	Laidig
Anderson, D.	Den Ouden	Fritz	Jennings	Levi
Berglin	Eken	Fudro	Johnson, C.	Long
Carlson, D.	Erickson	Greenfield	Johnson, D.	Ludeman
Casserly	Esau	Halberg	Kahn	Mann

McDonald	Pehler	Rose	Stowell	Wenzel
Mehrkens	Piepho	Schreiber	Sviggum	Wieser
Moe	Pleasant	Searle	Thiede	Wigley
Nelsen, B..	Redalen	Searles	Valan	Zubay
Norman	Reding	Sherwood	Valento	
Nysether	Rees	Sieben, H.	Waldorf	
Onnen	Reif	Sieben, M.	Weaver	
Patton	Rodriguez	Stadum	Welker	

Those who voted in the negative were:

Albrecht	Corbid	Kempe	Niehaus	Stoa
Anderson, G.	Crandall	Kroening	Novak	Swanson
Anderson, I.	Drew	Kvam	Olsen	Tomlinson
Anderson, R.	Elioff	Lehto	Osthoff	Vanasek
Battaglia	Ellingson	Luknic	Otis	Voss
Begich	Faricy	McCarron	Peterson, B.	Welch
Berkelman	Fjoslien	McEachern	Peterson, D.	Wynia
Biersdorf	Heap	Metzen	Prahl	Spkr. Norton
Blatz	Hokanson	Minne	Rice	
Brinkman	Jacobs	Munger	Rothenberg	
Byrne	Jude	Murphy	Sarna	
Carlson, L.	Kelly	Nelsen, M.	Simoneau	

The motion prevailed.

H. F. No. 8, A bill for an act relating to taxation; gasoline tax; increasing the tax on gasoline; prohibiting use of proceeds of gas tax for access routes to the metropolitan sports facility; amending Minnesota Statutes 1978, Section 296.02, Subdivision 1; and Minnesota Statutes, 1979 Supplement, Section 473.596.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 75 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kaley	Patton	Sieben, H.
Ainley	Forsythe	Kalis	Pehler	Sieben, M.
Anderson, D.	Friedrich	Knickerbocker	Peterson, D.	Stadum
Berglin	Fritz	Laidig	Piepho	Stowell
Carlson, D.	Fudro	Levi	Pleasant	Sviggum
Casserly	Greenfield	Long	Redalen	Thiede
Clark	Halberg	Ludeman	Reding	Valan
Clawson	Haukoos	Mann	Rees	Valento
Dean	Heinitz	McDonald	Reif	Waldorf
Dempsey	Hoberg	Mehrkens	Rodriguez	Weaver
Den Ouden	Jaros	Moe	Rose	Welker
Eken	Jennings	Nelsen, B.	Schreiber	Wenzel
Erickson	Johnson, C.	Norman	Searle	Wieser
Esau	Johnson, D.	Nysether	Searles	Wigley
Evans	Kahn	Onnen	Sherwood	Zubay

Those who voted in the negative were:

Adams	Anderson, B.	Anderson, I.	Battaglia	Berkelman
Albrecht	Anderson, G.	Anderson, R.	Begich	Biersdorf

Blatz	Fjoslien	Lehto	Novak	Stoa
Brinkman	Heap	Luknic	Olsen	Swanson
Byrne	Hokanson	McCarron	Osthoff	Tomlinson
Carlson, L.	Jacobs	McEachern	Otis	Vanasek
Corbid	Jude	Metzen	Peterson, B.	Voss
Crandall	Kelly	Minne	Prahl	Welch
Drew	Kempe	Munger	Rice	Wynia
Elioff	Kostohryz	Murphy	Rothenberg	Spkr. Norton
Ellingson	Kroening	Nelsen, M.	Sarna	
Faricy	Kvam	Niehaus	Simoneau	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 2104, A bill for an act relating to state lands; changing the interest rate on unpaid sale balances; amending Minnesota Statutes 1978, Section 92.06, Subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Tennessen; Ulland, J. and Lessard have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Peterson, B., moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 2104. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2104:

Peterson, B.; Munger; and Brinkman.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 874

A bill for an act relating to state government; changing certain administrative procedures; amending Minnesota Statutes 1978, Sections 15.0411, Subdivision 2; 15.0412, Subdivisions 2,

4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1 and 4; 15.0422; 15.0424, Subdivision 6; and 15.052, Subdivisions 1, 2, 5, 7, 8 and 9; repealing Minnesota Statutes 1978, Sections 5.21, and 15.0423.

April 11, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 874, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendments and that H. F. No. 874 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1978, Section 3.965, is amended to read:

3.965 [LEGISLATIVE COMMISSION TO REVIEW ADMINISTRATIVE RULES.] Subdivision 1. [COMPOSITION; MEETINGS.] A legislative commission for review of administrative rules (DEFINED PURSUANT TO SECTIONS 15.0411 TO 15.0422), consisting of five senators appointed by the committee on committees of the senate and five representatives appointed by the speaker of the house of representatives shall be appointed. The commission shall meet at the call of its chairman or upon a call signed by two of its members or signed by five members of the legislature. The legislative commission chairmanship shall alternate between the two houses of the legislature every two years.

Subd. 2. [REVIEW OF RULES BY COMMISSION.] The commission shall promote adequate and proper rules by agencies and an understanding upon the part of the public respecting them. *The jurisdiction of the commission shall include all rules as defined in section 15.0411, subdivision 3 and all rules promulgated by agencies specified in section 15.0411, subdivision 2, clauses (c) through (i).* It may hold public hearings to investigate complaints with respect to rules if it considers the complaints meritorious and worthy of attention and may, on the basis of the testimony received at the public hearings, suspend any rule complained of by the affirmative vote of at least six members provided the provisions of subdivision 4 have been met. If any rule is suspended, the commission shall as soon as possible place before the legislature, at the next year's session, a bill to repeal the suspended rule. If the bill is defeated, or fails of enactment in that year's

session, the rule shall stand and the commission may not suspend it again. If the bill becomes law, the rule is repealed and shall not be enacted again unless a law specifically authorizes the adoption of that rule. The commission shall make a biennial report to the legislature and governor of its activities and include therein its recommendations.

Subd. 3. [PUBLIC HEARINGS BY STATE AGENCIES.] By a vote of a majority of its members, the commission may request any (DEPARTMENT) *agency* issuing rules to hold a public hearing in respect to recommendations made pursuant to subdivision 2 *including recommendations made by the commission to promote adequate and proper rules by that agency and recommendations contained in the commission's biennial report.* The (DEPARTMENT) *agency* shall give notice as provided in section 15.0412, subdivision 4 of a hearing thereon, to be conducted in accordance with section 15.0412. The hearing shall be held not more than 60 days after receipt of the request.

Subd. 4. [REVIEW BY STANDING COMMITTEES.] Before the commission suspends any rule, it shall request the speaker of the house and the president of the senate to refer the question of suspension of the given rule or rules to the appropriate committee or committees of the respective houses for the committees' (RECOMMENDATION) *recommendations.* No suspension shall take effect until the (RECOMMENDATION IS) *committees' recommendations are received,* or 60 days after referral of the question of suspension to the speaker of the house and the president of the senate. However, the (RECOMMENDATION) *recommendations shall be advisory only.*

Sec. 2. Minnesota Statutes, 1979 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 sections 12.31 to 12.37, ((C) CORRECTIONS BOARD AND PARDON BOARD, (D) THE UNEMPLOYMENT INSURANCE PROGRAM IN THE DEPARTMENT OF ECONOMIC SECURITY, (C) 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) *the 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. 3. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 1a. Unless otherwise provided by law, an agency may grant a variance to a rule. Before an agency grants a variance, it shall have promulgated rules setting forth procedures and standards by which variances shall be granted and denied. An agency receiving a request for a variance shall set forth in writing its reasons for granting or denying the variance. This subdivision shall not constitute authority for an agency to grant variances to statutory standards.

Sec. 4. Minnesota Statutes 1978, 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 odd-numbered year commencing in 1981 in a guidebook of state agencies. Notice of the publication of the guidebook shall be published in the state register.

Sec. 5. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 2a. The revisor of statutes may upon request, provide technical and legal assistance to state agencies in drafting rules.

Sec. 6. Minnesota Statutes 1978, 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). Each agency shall maintain a list of all persons who have registered with the agency for the purpose of receiving notice of rule hearings. The agency may inquire as to whether those persons on the list wish to maintain their names thereon and may remove names for which there is a negative reply or no reply within 60 days. The

agency shall, at least 30 days prior to the date set for the hearing, give notice of its intention to hold a hearing by United States mail to all persons on its list, and by publication in the state register. Each agency may, at its own discretion, also contact persons not on its list and may give notice of its intention to hold a hearing in newsletters, newspapers or other publications or through other means of communication. The notice in the state register shall include the full text of the rule proposed for adoption (; PROVIDED THAT,) and, when amending existing rules, whatever portion of the existing rules is necessary to provide adequate notice of the nature of the proposed action. When an entire rule is proposed to be repealed or renumbered, the agency need only publish that fact, giving the exact citation to the rule to be repealed or renumbered in the notice.

Subd. 4a. 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 federal law or rule or other materials which are less than 3000 words in length or which would require less than five pages of publication in the state register.

Subd. 4b. The agency shall make available at least one free copy of the proposed rule to any person requesting it. The free copy shall contain the exact wording and form of the proposed rule and notice of hearing as published in the state register and shall be available to the public at least 30 days prior to the date set for the hearing.

Subd. 4c. At the public hearing the agency shall make an affirmative presentation of facts establishing the need for an reasonableness of the rule proposed for adoption and fulfilling any relevant substantive or procedural requirements imposed on the agency by law or rule. The agency may, in addition to its affirmative presentation, rely upon facts presented by others on the record during the rule proceeding to support the rule finally adopted.

Subd. 4d. 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). If the report contains a finding that the proposed rule is substantially different from that which was proposed at the public hearing, or that the agency has not met the requirements of section 15.0412, subdivisions 4 through 4f, it shall be submitted to the chief hearing examiner for approval. If the chief hearing examiner approves the finding of the hearing examiner, he shall advise the agency of actions which will correct the defects, and

the agency shall not adopt the rule until the chief hearing examiner determines that the defects have been corrected. If the chief hearing examiner determines that the need for and reasonableness of the rule has not been established pursuant to subdivision 4, clause (c), and if the agency does not elect to follow the suggested actions of the hearing examiner to correct that defect, then the agency shall submit the proposed rule to the legislative commission to review administrative rules for the commission's advice and comment. The agency shall not proceed to adopt the rule until it has received and considered the advice of the commission; provided, that the agency is not required to delay adoption longer than 30 days after the commission's receipt of the agency's submission. Advice of the commission shall not be binding on the agency. The 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) or 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 or at last five working days before the agency takes any final action on the rule.

Subd. 4e. If the agency adopts the rule as recommended by the hearing examiner, 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 makes changes in the rule other than those recommended by the hearing examiner, it shall submit the rule with the complete hearing record to the chief hearing examiner for a review of the changes prior to adopting it and submitting it to the attorney general for review. If the chief hearing examiner determines that the proposed final rule of the agency is substantially different from that which was proposed at the public hearing, he shall advise the agency of actions which will correct the defects, and the agency shall not adopt the rule until the chief hearing examiner determines that the defects have been corrected. 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. This notice shall be given on the same day that the record is submitted. 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.

Subd. 4f. A rule shall become effective after it has been subjected to all requirements described in (THIS SUBDIVI-

SION) *subdivisions 4 through 4f* 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. 7. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 4g. When an agency determines that its proposed adoption, amendment, suspension or repeal of a rule will be non-controversial in nature, it may utilize the provisions herein in lieu of the provisions of subdivisions 4 through 4f. The agency shall publish a notice of its intent to adopt the rule without public hearing, together with the proposed rule, in the state register, and shall give the same notice by United States mail to persons who have registered their names with the agency pursuant to subdivision 4. When an entire rule is proposed to be repealed or renumbered, the agency need only publish that fact, giving the exact citation to the rule to be repealed or renumbered in the notice. The notice shall include a statement advising the public:

- (1) that they have 30 days in which to submit comment on the proposed rule;*
- (2) that no public hearing will be held unless seven or more persons make a written request for a hearing within the 30 day comment period;*
- (3) of the manner in which persons shall request a hearing on rules proposed pursuant to this subdivision; and*
- (4) that the rule may be modified if modifications are supported by the data and views submitted.*

Before the date of the notice, the agency shall prepare a statement of need and reasonableness which shall be available to the public. For at least 30 days following the notice, the agency shall afford all interested persons an opportunity to object to the lack of a hearing and to submit data and views on the proposed rule in writing. The proposed rule may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change. If, during the 30 day period allowed for comment, seven or more persons sub-

mit to the agency a written request for a hearing of the proposed rule, the agency shall proceed under the provisions of subdivisions 4 through 4f. In the event that a hearing is required, a citation in the state register to the prior publication of the proposed rule may be substituted for republication unless the agency has modified the proposed rule. If no hearing is required, the agency shall submit to the attorney general the proposed rule and notice as published, the rule as proposed for adoption, any written comments received by the agency, and a statement of need and reasonableness for the rule. The agency shall give notice to all persons who requested to be informed that these materials have been submitted to the attorney general. This notice shall be given on the same day that the record is submitted. The attorney general shall approve or disapprove the rule as to form and legality, including the issue of substantial change, within 14 days. 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 of state, nor published. The rule shall become effective upon publication in the state register in the same manner as provided for adopted rules in subdivision 4f.

Sec. 8. For purposes of implementing section 15.0412, subdivision 4, the attorney general shall prepare a notice which shall be published by the state register on or before August 4, 1980, which notice shall be mailed, by the office of hearing examiners, to all persons presently registered with the secretary of state for the purpose of being advised of rulemaking hearings. The notice shall be sufficiently specific to inform all persons of the manner in which they may register their names with the various state agencies in order to be notified of all rulemaking hearings.

Sec. 9. Minnesota Statutes 1978, 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 subdivisions 4 through 4g, 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 pro-

posed 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) subdivisions 4 through 4g.

Sec. 10. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 8. Each agency shall, within six months after the effective date of a law requiring rules to be promulgated, unless otherwise specified by law, publish notice of hearing or notice of intent to adopt a rule without public hearing in accordance with this section. If an agency has not given this notice, it shall report to the appropriate committees of the legislature and the governor its failure to do so, and the reasons for that failure.

Sec. 11. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 9. The agency shall, within six months after issuance of the hearing examiner's report, either withdraw the proposed rules or publish its adopted final action in the state register. If the agency has not published its adopted final action in the state register within six months, it shall not proceed to adopt the subject rules without rehearing the rules pursuant to all the procedures of this section, and it shall report to the appropriate committees of the legislature and to the governor its failure to adopt rules and the reasons for that failure.

Sec. 12. Minnesota Statutes 1978, 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. *Should a discrepancy exist between the rules published in the state register and the rules on file with the secretary of state, the rules on file with the secretary of state shall have effect.*

Sec. 13. Minnesota Statutes 1978, 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 1978, Section 15.0418, is amended to read:

15.0418 [CONTESTED CASE.] *Subdivision 1. An agency shall initiate a contested case proceeding when one is required by law. Unless otherwise provided by law, an agency shall decide a contested case only in accordance with the contested case procedures of the administrative procedure act.*

Subd. 2. [NOTICE AND HEARING.] In any contested case all parties shall be afforded an opportunity for hearing after reasonable notice. The notice shall state the time, place and issues involved, but if, by reason of the nature of the (PROCEEDING) case, the issues cannot be fully stated in advance of the hearing, or if subsequent amendment of the issues is necessary, they shall be fully stated as soon as practicable, and opportunity shall be afforded all parties to present evidence and argument with respect thereto. Prior to assignment of a case to a hearing examiner as provided by section 15.052, all papers shall be filed with the agency. Subsequent to assignment of the case, the agency shall certify the official record to the office of (HEARING EXAMINERS) administrative hearings, and thereafter, all papers shall be filed with that office. The office of (HEARING EXAMINERS) administrative hearings shall maintain the official record which shall include subsequent filings, testimony and exhibits. All filings are deemed effective upon receipt. The record shall contain a written transcript of the hearing only if preparation of a transcript is requested by the agency, a party, or the chief hearing examiner. The agency or party requesting a transcript shall bear the cost of preparation. When the chief hearing examiner requests preparation of the transcript, the agency shall bear the cost of preparation. Upon issuance of the hearing examiner's report, the official record shall be certified to the agency.

Subd. 3. [INFORMAL DISPOSITION.] Informal disposition may also be made of any contested case by stipulation, agreed settlement, consent order or default.

Sec. 15. Minnesota Statutes 1978, Section 15.0419, Subdivision 1, is amended to read:

15.0419 [EVIDENCE IN CONTESTED CASE HEARINGS.] *Subdivision 1. In contested cases agencies may admit*

and give probative effect to evidence which possesses probative value commonly accepted by reasonable prudent (MEN) persons in the conduct of their affairs. They shall give effect to the rules of privilege recognized by law. They may exclude incompetent, irrelevant, immaterial and repetitious evidence.

Sec. 16. Minnesota Statutes 1978, Section 15.0419, Subdivision 2, is amended to read:

Subd. 2. All evidence, including records and documents ((EXCEPT TAX RETURNS AND TAX REPORTS)) *containing information classified by law as not public*, in the possession of the agency of which it desires to avail itself or *which is offered into evidence by a party to a contested case proceeding*, shall be (OFFERED AND) made a part of the *hearing record* (IN) of the case (, AND). No (OTHER) factual information or evidence ((EXCEPT TAX RETURNS AND TAX REPORTS)) shall be considered in the determination of the case *unless it is part of the record*. Documentary evidence may be received in the form of copies or excerpts, or by incorporation by reference. *When the hearing record contains information which is not public, the hearing examiner or the agency may conduct a closed hearing to discuss the information, issue necessary protective orders, and seal all or part of the hearing record.*

Sec. 17. Minnesota Statutes 1978, Section 15.0419, Subdivision 4, is amended to read:

Subd. 4. Agencies may take notice of judicially cognizable facts and in addition may take notice of general, technical, or scientific facts within their specialized knowledge. Parties shall be notified in writing either before or during hearing, or by reference in preliminary reports or otherwise, or by oral statement in the record, of the material so noticed, and they shall be afforded an opportunity to contest the facts so noticed. Agencies may utilize their experience, technical competence, and specialized knowledge in the evaluation of the evidence (PRESENT-ED TO THEM) *in the hearing record.*

Sec. 18. Minnesota Statutes 1978, Section 15.0422, is amended to read:

15.0422 [DECISIONS, ORDERS.] *Subdivision 1.* Every decision and order (ADVERSE TO A PARTY OF THE PROCEEDING,) rendered by an agency in a contested case (,) shall be in writing (OR STATED IN THE RECORD AND SHALL BE ACCOMPANIED BY A STATEMENT OF THE REASONS THEREFOR. THE STATEMENT OF REASONS SHALL CONSIST OF A CONCISE STATEMENT OF THE CONCLUSIONS UPON EACH CONTESTED ISSUE OF FACT NECESSARY TO THE DECISION. PARTIES TO THE PROCEEDING SHALL BE NOTIFIED OF THE DECISION AND

ORDER IN PERSON OR BY MAIL), shall be based on the record and shall include the agency's findings of fact and conclusions on all material issues. A copy of the decision and order (AND ACCOMPANYING STATEMENT OF REASONS TOGETHER WITH A CERTIFICATE OF SERVICE) shall be (DELIVERED OR MAILED UPON REQUEST TO) served upon each party or (TO HIS ATTORNEY OF RECORD) his representative and the hearing examiner by first class mail.

Subd. 2. Unless otherwise provided by law, if an agency fails to render a decision and order in a contested case within 90 days after the submission of the final hearing examiner report and subsequent exceptions and arguments under section 15.0421 if any, any party may petition the district court for an order requiring the agency to render a decision and order on the contested case within such time as the court determines to be appropriate. The order shall be issued unless the agency shows that further delay is reasonable.

Sec. 19. Minnesota Statutes 1978, Section 15.0424, Subdivision 1, is amended to read:

15.0424 [JUDICIAL REVIEW OF A CONTESTED CASE DECISION.] Subdivision 1. [APPLICATION.] Any person aggrieved by a final decision in a contested case (OF ANY AGENCY AS DEFINED IN SECTION 15.0411, SUBDIVISION 2 (INCLUDING THOSE AGENCIES EXCLUDED FROM THE DEFINITION OF "AGENCY" IN SECTION 15.0411, SUBDIVISION 2, BUT EXCEPTING THE TAX COURT, THE WORKERS' COMPENSATION COURT OF APPEALS SITTING ON WORKERS' COMPENSATION CASES, THE DEPARTMENT OF ECONOMIC SECURITY, THE DIRECTOR OF MEDIATION SERVICES, AND THE DEPARTMENT OF PUBLIC SERVICE), WHETHER SUCH DECISION IS AFFIRMATIVE OR NEGATIVE IN FORM,) is entitled to judicial review (THEREOF,) of the decision under the provisions of this section, but nothing in this section shall be deemed to prevent resort to other means of review, redress, relief, or trial de novo provided by law now or hereafter enacted. (THE TERM "FINAL DECISION" AS HEREIN USED SHALL NOT EMBRACE A PROPOSED OR TENTATIVE DECISION UNTIL IT HAS BECOME THE DECISION OF THE AGENCY EITHER BY EXPRESS APPROVAL OR BY THE FAILURE OF AN AGGRIEVED PERSON TO FILE EXCEPTIONS THERETO WITHIN A PRESCRIBED TIME UNDER THE AGENCY'S RULES.) *A petition by an aggrieved person for judicial review under this section must be filed with the district court and served on the agency not more than 30 days after the party receives the final decision and order of the agency.*

Sec. 20. Minnesota Statutes 1978, Section 15.0424, Subdivision 2, is amended to read:

Subd. 2. [PETITION, SERVICE.] ((A)) Proceedings for review *under this section* shall be instituted by serving a petition (THEREOF) personally or by certified mail upon the agency (OR ONE OF ITS MEMBERS OR UPON ITS SECRETARY OR CLERK) and by filing (SUCH) *the* petition in the office of the clerk of district court for the county (WHEREIN) *where* the agency has its principal office or the county of residence of the petitioners (, ALL WITHIN 30 DAYS AFTER THE AGENCY SHALL HAVE SERVED SUCH DECISION AND ANY ORDER MADE PURSUANT THERETO BY MAIL ON THE PARTIES OF RECORD THEREIN; SUBJECT, HOWEVER, TO THE FOLLOWING:).

((1)) IN THE CASE OF A TENTATIVE OR PROPOSED DECISION WHICH HAS BECOME THE DECISION OF THE AGENCY EITHER BY EXPRESS APPROVAL OR BY A FAILURE BY AN AGGRIEVED PERSON TO FILE EXCEPTIONS WITHIN A PRESCRIBED TIME UNDER THE AGENCY'S RULES, SUCH 30-DAY PERIOD SHALL NOT BEGIN TO RUN UNTIL THE LATEST OF THE FOLLOWING EVENTS SHALL HAVE OCCURRED: (A) SUCH DECISION SHALL HAVE BECOME THE DECISION OF THE AGENCY AS AFORESAID; (B) SUCH DECISION, EITHER BEFORE OR AFTER IT HAS BECOME THE DECISION OF THE AGENCY, SHALL HAVE BEEN SERVED BY MAIL BY SUCH AGENCY ON THE PARTIES OF RECORD IN SUCH PROCEEDING.)

((2)) In case a request for rehearing or reconsideration shall have been made within (THE TIME PERMITTED AND IN CONFORMITY WITH THE AGENCY'S RULES) *ten days after the decision and order of the agency*, (SUCH) *the* 30-day period *provided in subdivision 1* shall not begin to run until service of the order finally disposing of the application for rehearing or reconsideration, but nothing herein shall be construed as requiring that an application for rehearing or reconsideration be filed with and disposed of by the agency as a prerequisite to the institution of a review proceeding under this section.

((B)) The petition shall state the nature of the petitioner's interest, the facts showing the petitioner is aggrieved and is affected by the decision, and the ground or grounds upon which the petitioner contends that the decision should be reversed or modified. The petition may be amended by leave of court although the time for serving the (SAME) *petition* has expired. The petition shall be entitled in the name of the person serving the (SAME) *petition* as petitioner and the name of the agency whose decision is sought to be reviewed as respondent. Copies of the petition shall be served, personally or by certified mail, not later than 30 days after the institution of the proceeding, upon all parties who appeared before the agency in the proceeding in which the order sought to be reviewed was made; and for the purpose of such service the agency upon request shall

certify to the petitioner the names and addresses of all such parties as disclosed by its records, which certification shall be conclusive. The agency and all parties to the proceeding before it shall have the right to participate in the proceedings for review. The court in its discretion may permit other interested parties to intervene.

((C)) Every person served with the petition for review as provided in this section and who desires to participate in the proceedings for review thereby instituted shall serve upon the petitioner, within 20 days after service of the petition upon such person, a notice of appearance stating his position with reference to the affirmance, vacation, reversal or modification of the order or decision under review. Such notice, other than by the named respondent, shall also be served on the named respondent and the attorney general and shall be filed, together with proof of service thereof, with the clerk of the reviewing court within ten days after such service. Service of all subsequent papers or notices in such proceedings need be made only upon the petitioner, the named respondent, the attorney general, and such other persons as have served and filed the notice as herein provided, or have been permitted to intervene in said proceedings as parties thereto by order of the reviewing court.

Sec. 21. Minnesota Statutes 1978, Section 15.0424, Subdivision 6, is amended to read:

Subd. 6. [PROCEDURE ON REVIEW.] The review shall be conducted by the court without a jury and shall be confined to the record, except that in cases of alleged irregularities in procedure (BEFORE THE AGENCY), not shown in the record, testimony thereon may be taken in the court. The court shall, upon request, hear oral argument and receive written briefs. Except as otherwise provided all proceedings shall be conducted according to the rules of civil procedure.

Sec. 22. Minnesota Statutes 1978, Section 15.0425, is amended to read:

15.0425 [SCOPE OF JUDICIAL REVIEW.] In (ANY PROCEEDINGS FOR) a judicial review (BY ANY COURT OF DECISIONS OF ANY AGENCY AS DEFINED IN SECTION 15.0411, SUBDIVISION 2 (INCLUDING THOSE AGENCIES EXCLUDED FROM THE DEFINITION OF AGENCY IN SECTION 15.0411, SUBDIVISION 2)) *under section 15.0424* the court may affirm the decision of the agency or remand the case for further proceedings; or it may reverse or modify the decision if the substantial rights of the petitioners may have been prejudiced because the administrative finding, inferences, conclusion, or decisions are:

(a) In violation of constitutional provisions; or

(b) In excess of the statutory authority or jurisdiction of the agency; or

(c) Made upon unlawful procedure; or

(d) Affected by other error of law; or

(e) Unsupported by substantial evidence in view of the entire record as submitted; or

(f) Arbitrary or capricious.

Sec. 23. Minnesota Statutes 1978, Section 15.0426, is amended to read:

15.0426 [APPEALS TO SUPREME COURT.] An aggrieved party, including an agency which issued a decision (OR) and order in the case, may secure a review of any final order or judgment of the district court under (SECTIONS) section 15.0424 (OR 15.0425) by appeal to the supreme court. (SUCH) The appeal shall be taken in the manner provided by law for appeals from orders or judgments of the district court in other civil cases.

Sec. 24. Minnesota Statutes 1978, Section 15.047, Subdivision 2, is amended to read:

Subd. 2. Copies of rules published pursuant to this section may be sold by the commissioner of administration for a reasonable fee. The commissioner shall provide without cost (ONE COPY) *ten copies* of the manual and any supplementary material for the manual to *the legislative reference library and the state law library and one copy* to each county library maintained pursuant to section 375.33 or 134.12, excepting counties containing cities of the first class. If a county has not established a county library pursuant to section 375.33 or 134.12, the copies shall be provided to a public library designated by the county board after consultation with the regional library, if any, established pursuant to section 375.335 for the region in which the county is located.

Sec. 25. Minnesota Statutes 1978, Section 15.051, Subdivision 2, is amended to read:

Subd. 2. [PUBLICATION.] The commissioner of administration shall publish the state register whenever (HE DEEMS) necessary, except that no material properly submitted to him for publication shall remain unpublished for more than ten working days.

The state register shall have a distinct and permanent masthead with the title "state register" and the words "state of Min-

nesota" prominently displayed. All issues of the state register shall be numbered and dated.

To the extent that editing, composition, printing, distribution or other work on the state register cannot be performed in the department of administration, or it is uneconomical to do so, the commissioner shall obtain competitive bids and enter into contracts to have the services performed by the lowest responsible bidder. The duration of any contracts shall not exceed the end of the state's fiscal biennium.

Sec. 26. Minnesota Statutes 1978, Section 15.052, Subdivision 1, is amended to read:

15.052 [OFFICE OF HEARING EXAMINERS.] Subdivision 1. A state office of (HEARING EXAMINERS) *administrative hearings* is created. The office shall be under the direction of a chief hearing examiner, who shall be learned in the law and appointed by the governor, with the advice and consent of the senate, for a term ending on June 30 of the sixth calendar year after appointment. The chief hearing examiner shall appoint additional hearing examiners to serve in his office as necessary to fulfill the duties prescribed in this section. All hearing examiners shall be in the classified service except that the chief hearing examiner shall be in the unclassified service, but may be removed from his position only for cause. Additionally, all hearing examiners shall have demonstrated knowledge of administrative procedures and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner.

Sec. 27. Minnesota Statutes 1978, Section 15.052, Subdivision 2, is amended to read:

Subd. 2. When regularly appointed hearing examiners are not available, the chief hearing examiner may contract with qualified individuals to serve as hearing examiners (FOR SPECIFIC ASSIGNMENTS). Such temporary hearing examiners shall not be employees of the state (AND SHALL BE REMUNERATED FOR THEIR SERVICE AT A RATE NOT TO EXCEED \$150 PER DAY).

Sec. 28. Minnesota Statutes 1978, Section 15.052, Subdivision 3, is amended to read:

Subd. 3. All hearings of state agencies required to be conducted under this chapter shall be conducted by a hearing examiner assigned by the chief hearing examiner. In assigning hearing examiners to conduct such hearings, the chief hearing examiner shall attempt to utilize personnel having expertise in the subject to be dealt with in the hearing. Only hearing examiners learned in the law shall be assigned to contested case

hearings. It shall be the duty of the hearing examiner to: (1) advise an agency as to the location at which and time during which a hearing should be held so as to allow for participation by all affected interests; (2) conduct only hearings for which proper notice has been given; (3) see to it that all hearings are conducted in a fair and imparital manner; and (4) make a report on each proposed agency action in which the hearing examiner functioned in an official capacity, stating his findings of fact and his conclusions and recommendations, taking notice of the degree to which the agency has (i) documented its statutory authority to take the proposed action, (ii) fulfilled all relevant substantive and procedural requirements of law or rule, and (iii) *in rulemaking proceedings*, demonstrated the need for and reasonableness of its proposed action with an affirmative presentation of facts.

Sec. 29. Minnesota Statutes 1978, Section 15.052, Subdivision 4, is amended to read:

Subd. 4. The chief hearing examiner shall promulgate rules to govern the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings and contested case hearings. Such procedural rules for hearings shall be binding upon all agencies and shall supersede any other agency procedural rules with which they may be in conflict. The procedural rules for hearings shall include in addition to normal procedural matters provisions relating to recessing and reconvening new hearings when the proposed final rule of an agency is substantially different from that which was proposed at the public hearing. The procedural rules shall establish a procedure whereby the proposed final rule of an agency shall be reviewed by the chief hearing examiner to determine whether or not a new hearing is required because of substantial changes or failure of the agency to meet the requirements of section 15.0412, (SUB-DIVISION 4) *subdivisions 4 through 4f*. Upon his own initiative or upon written request of an interested party, the Chief hearing examiner may issue a subpoena for the attendance of a witness or the production of such books, papers, records or other documents as are material to the matter being heard. The subpoenas shall be enforceable through the district court in the district in which the subpoena is issued.

Sec. 30. Minnesota Statutes 1978, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. The office of (HEARING EXAMINERS) *administrative hearings* may maintain a court reporter system and in addition to or in lieu thereof may contract with non-governmental sources for court reporter services. The court reporters may additionally be utilized as the chief hearing examiner directs. Unless the chief hearing examiner determines that the use of a court reporter is more appropriate, an audio magnetic

recording device shall be used to keep a record at any hearing which takes place under this chapter.

Court reporters serving in the court reporter system of the office of (HEARING EXAMINERS) *administrative hearings* shall be in the classified service. *Notwithstanding the provisions of section 15.17, subdivision 4, copies of transcriptions of hearings conducted pursuant to this section may be obtained only through the office of administrative hearings.*

Sec. 31. Minnesota Statutes 1978, Section 15.052, Subdivision 7, is amended to read:

Subd. 7. A state office of (HEARING EXAMINER) *administrative hearings* account is hereby created in the state treasury. All receipts from services rendered by the state office of (HEARING EXAMINER) *administrative hearings* shall be deposited in the account, and all funds in the account shall be annually appropriated to the state office of (HEARING EXAMINER) *administrative hearings* for carrying out the duties specified in this section.

Sec. 32. Minnesota Statutes 1978, Section 15.052, Subdivision 8, is amended to read:

Subd. 8. The chief hearing examiner may enter into contracts with political subdivisions of the state and such political subdivisions of the state may contract with the chief hearing examiner for the purpose of providing hearing examiners and reporters for administrative proceedings. *The contract may define the scope of the hearing examiner's duties, which may include the preparation of findings, conclusions, or a recommendation for action by the political subdivision.* For such services there shall be an assessment in the manner provided in subdivision 6.

Sec. 33. Minnesota Statutes 1978, Section 15.052, Subdivision 9, is amended to read:

Subd. 9. In consultation and agreement with the chief hearing examiner, the commissioner of administration shall, pursuant to authority vested in him by section 16.13, transfer from state agencies, such employees as he deems necessary to the state office of (HEARING EXAMINERS) *administrative hearings*. Such action shall include the transfer of any state employee currently employed as a hearing examiner, if the employee qualifies under this section.

Sec. 34. Minnesota Statutes 1978, Section 15.1691, Subdivision 3, is amended to read:

Subd. 3. [INVESTIGATIVE DATA.] *Data on persons including data on vendors of services, which is collected, maintained, used or disseminated by the welfare system in an investi-*

gation, authorized by statute and relating to the enforcement of rules or law, is confidential pursuant to section 15.162, subdivision 2a, and shall not be disclosed except:

- (a) Pursuant to section 15.163;
- (b) Pursuant to statute or valid court order;
- (c) To a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense.

(AFTER PRESENTATION IN COURT, THE DATA SHALL BE PUBLIC DATA ON INDIVIDUALS TO THE EXTENT REFLECTED IN COURT RECORDS.)

The data referred to in this subdivision shall be classified as public data upon its submission to a hearing examiner or court in an administrative or judicial proceeding.

Sec. 35. Minnesota Statutes, Section 179.71, Subdivision 5, is amended to read:

Subd. 5. In addition to all other duties imposed by this section, the director shall:

- (a) retain mediation jurisdiction over the parties for purposes of this subdivision until such time as the parties reach agreement; provided, however, he may continue to assist parties after the parties have submitted their final positions as provided or required under section 179.72, subdivision 6; or section 179.69, subdivision 6;
- (b) issue notices, subpoenas and orders as may be required by law to carry out his duties under sections 179.61 to 179.77. Issuance of orders shall include those orders of the Minnesota public employment relations board;
- (c) certify to the Minnesota public employment relations board those items of dispute between parties to be subject to the action of the Minnesota public employment relations board under section 179.69, subdivision 3;
- (d) assist the parties in formulating petitions, notices, and other papers required to be filed with the director or the board;
- (e) certify the final results of any election or other voting procedure conducted pursuant to sections 179.61 to 179.77;
- (f) furnish clerical and administrative services to the Minnesota public employment relations board as may be required;

(g) adopt reasonable and proper rules (AND REGULATIONS) relative to and regulating the forms of petitions, notices, orders and the conduct of hearings and elections (SUBJECT TO FINAL APPROVAL OF THE MINNESOTA PUBLIC EMPLOYMENT RELATIONS BOARD). (SUCH RULES AND REGULATIONS SHALL BE PRINTED AND MADE AVAILABLE TO THE PUBLIC AND A COPY DELIVERED WITH EACH NOTICE OF HEARING; PROVIDED, THAT EVERY SUCH RULE OR REGULATION SHALL BE FILED WITH THE SECRETARY OF STATE, AND ANY CHANGE THEREIN OR ADDITIONS THERETO SHALL NOT TAKE EFFECT UNTIL 20 DAYS AFTER SUCH FILING;)

(h) receive, catalogue and file in a logical manner all orders and decisions of the Minnesota public employment relations board and all arbitration panels authorized by sections 179.61 to 179.77 as well as all grievance arbitration decisions and the director's own orders and decisions. All orders and decisions catalogued and filed shall be made readily available to the public;

(i) promulgate a grievance procedure to effectuate the purposes of section 179.70, subdivision 1. Such grievance procedures shall not provide for the services of the bureau of mediation services. The exercise of authority granted by this clause shall be subject to the provisions of chapter 15; said grievance procedure to be available to any public employee employed in a unit not covered by a negotiated grievance procedure as contained in section 179.70, subdivision 1;

(j) conduct elections.

Sec. 36. Minnesota Statutes 1978, Section 179.72, Subdivision 3, is amended to read:

Subd. 3. In addition to the other powers and duties given it by law, the board has the following powers and duties:

(a) to hear and decide issues relating to the meaning of the terms "supervisory employee", "confidential employee", "essential employee" or "professional employee", as defined by section 179.63;

(b) to hear and decide appeals from determinations of the director relating to the appropriateness of a unit under section 179.67;

((C) TO APPROVE OR DISAPPROVE THE RULES AND REGULATIONS PROMULGATED BY THE DIRECTOR UNDER SECTION 179.71, SUBDIVISION 5, CLAUSE (G);)

((D)) (c) to hear and decide on the record from determinations of the director relating to a fair share fee challenge decided under section 179.71, subdivision 2.

Sec. 37. Minnesota Statutes 1978, Section 268.12, Subdivision 3, is amended to read:

Subd. 3. [RULES, REGULATIONS.] Notwithstanding any inconsistent provision of law the commissioner is hereby authorized to adopt, amend, or rescind regulations as may be necessary for the administration of sections 268.03 to 268.24. Each proposed regulation, excepting those relating solely to the internal operation of the department, shall be (PUBLISHED IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION IN THIS STATE AND BE FILED WITH THE SECRETARY OF STATE PRIOR TO THE TIME OF PUBLICATION. ANY PERSON OR ASSOCIATION DESIRING A COPY OF ANY PROPOSED REGULATIONS SHALL FILE WITH THE COMMISSIONER A WRITTEN REQUEST THEREFOR, CONTAINING HIS OR ITS NAME AND ADDRESS. FOR A PERIOD OF TWO YEARS AFTER THE FILING OF SUCH REQUEST THE COMMISSIONER, AT OR PRIOR TO THE TIME OF ANY PUBLICATION, SHALL MAIL TO SUCH PERSON OR ASSOCIATION A COPY OF SUCH PROPOSED REGULATIONS. EACH SUCH PROPOSED REGULATION, IF THERETOFORE APPROVED BY THE ATTORNEY GENERAL AS TO FORM AND LEGALITY, SHALL BECOME FINAL AND EFFECTIVE 30 DAYS AFTER THE PUBLICATION THEREOF. ANY EMPLOYER, EMPLOYEE, OR OTHER PERSON WHOSE INTEREST IS OR MAY BE AFFECTED THEREBY MAY OBJECT TO ANY SUCH PROPOSED REGULATION WITHIN TEN DAYS AFTER PUBLICATION THEREOF BY FILING WITH THE COMMISSIONER A PETITION SETTING FORTH THE GROUNDS OF OBJECTION TO THE PROPOSED REGULATION AND REQUEST A HEARING THEREON, WHEREUPON A HEARING SHALL THEREAFTER BE HAD BEFORE THE COMMISSIONER OR HIS DULY AUTHORIZED REPRESENTATIVE AT A TIME AND PLACE DESIGNATED BY THE COMMISSIONER OR SUCH REPRESENTATIVE AFTER DUE NOTICE OF SAID HEARING HAS BEEN SERVED BY CERTIFIED MAIL, UPON THE OBJECTING PARTY OR PARTIES NOT LESS THAN TEN DAYS BEFORE SAID HEARING. IN THE EVENT THAT THE COMMISSIONER ELECTS TO AMEND SUCH REGULATION AFTER SUCH HEARING, THEN SUCH AMENDED REGULATION SHALL BE FILED WITH THE SECRETARY OF STATE AND A COPY THEREOF MAILED TO EACH OF THE PERSONS AND ASSOCIATIONS WHO HAVE FILED A REQUEST FOR COPIES OF PROPOSED REGULATIONS AS PROVIDED HEREIN, AND SUCH AMENDED REGULATION SHALL BECOME EFFECTIVE FIVE DAYS AFTER SUCH FILING AND MAILING. JUDICIAL NOTICE OF ANY RULE, REGULATION OR ORDER DULY FILED OR PUBLISHED UNDER THE PROVISIONS OF THIS SUBDIVISION SHALL BE TAKEN). *adopted pursuant to the provisions of chapter 15.*

Sec. 38. Minnesota Statutes 1978, Section 299A.03, Subdivision 8, is amended to read:

Subd. 8. [DISTRIBUTION OF GRANTS; APPROPRIATION.] The crime control planning board shall distribute money given to it for distribution for law enforcement or criminal justice purposes. All moneys received by the state from the federal government or any other sources for distribution by the crime control planning board are appropriated to the board. The board shall distribute money to state, regional and local agencies consistent with procedures (, CRITERIA AND PRIORITIES) which are promulgated by rule. To the extent that moneys to be distributed are federal moneys, the procedures (, CRITERIA AND PRIORITIES) shall be consistent with federal crime control acts and guidelines in respect to distribution of federal money. Before distributing money to a regional or local agency, the crime control planning board shall have determined that the activities to be funded will not be contrary to the statewide comprehensive plan. Individual activities may be funded by the board, or it may elect to distribute money in a block grant to an agency for use in more than one approved activity. The board shall not fund an activity until it has approved a procedure for evaluation of the recipient agency's use of the money.

Sec. 39. Minnesota Statutes 1978, Section 15.0412, Subdivision 1, is amended to read:

15.0412 [RULES, PROCEDURES.] Subdivision 1. Each agency shall adopt, amend, suspend or repeal its rules in accordance with the procedures specified in sections 15.0411 to 15.052, and only pursuant to authority delegated by law and in full compliance with its duties and obligations. Except as provided in subdivision 3, sections 15.0411 to 15.052 shall not be authority for an agency to adopt, amend, suspend or repeal rules. No agency shall adopt a rule which duplicates language contained in Minnesota Statutes unless the hearing examiner determines that duplication of the language is crucial to the ability of a person affected by a rule to comprehend its meaning and effect. *When presented with a rule for endorsement pursuant to section 40, the revisor of statutes should indicate in the endorsement that the rule duplicates statutory language.*

Sec. 40. Minnesota Statutes 1978, Section 15.0412, Subdivision 2a, as added by section 5, is further amended to read:

Subd. 2a. (THE REVISOR OF STATUTES MAY UPON REQUEST, PROVIDE TECHNICAL AND LEGAL ASSISTANCE TO STATE AGENCIES IN DRAFTING RULES.) *No procedure to adopt a rule, temporary rule, or emergency rule, shall be initiated by any agency until the agency presents it to the revisor of statutes and the revisor endorses on the rule that its form is approved. The revisor may assist in drafting rules as provided by section 57.*

Sec. 41. Minnesota Statutes 1978, Section 15.0412, Subdivision 3, is amended to read:

Subd. 3. Each agency shall adopt rules, *in the form prescribed by the revisor of statutes*, setting forth the nature and requirements of all formal and informal procedures related to the administration of official agency duties to the extent that those procedures directly affect the rights of or procedures available to the public.

Sec. 42. Minnesota Statutes 1978, Section 15.0412, Subdivision 4, as amended by section 6, is further 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. Each agency shall maintain a list of all persons who have registered with the agency for the purpose of receiving notice of rule hearings. The agency may inquire as to whether those persons on the list wish to maintain their names thereon and may remove names for which there is a negative reply or no reply within 60 days. The agency shall, at least 30 days prior to the date set for the hearing, give notice of its intention to hold a hearing by United States mail to all persons on its list, and by publication in the state register. Each agency may, at its own discretion, also contact persons not on its list and may give notice of its intention to hold a hearing in newsletters, newspapers or other publications or through other means of communication. The notice in the state register shall include the full text of the rule proposed for adoption and, when amending existing rules, whatever portion of the existing rules is necessary to provide adequate notice of the nature of the proposed action. When an entire rule is proposed to be repealed (OR RENUMBERED), the agency need only publish that fact, giving the exact citation to the rule to be repealed (OR RENUMBERED) in the notice.

Sec. 43. Minnesota Statutes 1978, Section 15.0412, Subdivision 4a, as amended by section 6, is further amended to read:

Subd. 4a. (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 FEDERAL LAW OR RULE OR OTHER MATERIALS WHICH ARE LESS THAN 3000 WORDS IN LENGTH OR WHICH WOULD REQUIRE LESS THAN FIVE PAGES OF PUBLICATION IN THE STATE REGISTER.) *An agency may incorporate by reference into its rules text from the Minnesota Statutes, the United States*

Statutes at Large, the United States Code, the Laws of Minnesota, the Code of Federal Regulations, the Federal Register, and other publications which are determined by the revisor of statutes, after consultation with the chief hearing examiner, to be conveniently available to the public.

Sec. 44. Minnesota Statutes 1978, Section 15.0412, Subdivision 4e, as amended by section 6, is further amended to read:

Subd. 4e. If the agency adopts the rule as recommended by the hearing examiner, it shall be submitted with the complete hearing record to the attorney general, who shall review the rule as to (FORM AND) *its legality and its form to the extent the form relates to legality*. If the chief hearing examiner determines that the proposed final rule of the agency is substantially different from that which was proposed at the public hearing, he shall advise the agency of actions which will correct the defects, and the agency shall not adopt the rule until the chief hearing examiner determines that the defects have been corrected. 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. This notice shall be given on the same day that the record is submitted. The attorney general shall, within 20 days, either approve or disapprove the rule. If he approves the rule, he shall promptly file *two copies* of 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. *The secretary of state shall forward one copy of each rule filed to the revisor of statutes.*

Sec. 45. Minnesota Statutes 1978, Section 15.0412, Subdivision 4f, as amended by section 6, is further amended to read:

Subd. 4f. A rule shall become effective after it has been subjected to all requirements described in subdivisions 4 through (4F) 4g 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. 46. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 4g. No rule shall be filed with the secretary of state or published in the state register unless the revisor of statutes has endorsed on the rule that it is approved as to form.

Sec. 47. Minnesota Statutes 1978, Section 15.0412, Subdivision 4g, as added by section 7, is further amended to read:

Subd. (4G) 4h. When an agency determines that its proposed adoption, amendment, suspension or repeal of a rule will be noncontroversial in nature, it may utilize the provisions herein in lieu of the provisions of subdivisions 4 through (4F) 4g. The agency shall publish a notice of its intent to adopt the rule without public hearing, together with the proposed rule, in the state register, and shall give the same notice by United States mail to persons who have registered their names with the agency pursuant to subdivision 4. When an entire rule is proposed to be repealed (OR RENUMBERED), the agency need only publish that fact, giving the exact citation to the rule to be repealed (OR RENUMBERED) in the notice. The notice shall include a statement advising the public:

(1) that they have 30 days in which to submit comment on the proposed rule;

(2) that no public hearing will be held unless seven or more persons make a written request for a hearing within the 30 day comment period;

(3) of the manner in which persons shall request a hearing on rules proposed pursuant to this subdivision; and

(4) that the rule may be modified if modifications are supported by the data and views submitted.

Before the date of the notice, the agency shall prepare a statement of need and reasonableness which shall be available to the public. For at least 30 days following the notice, the agency shall afford all interested persons an opportunity to object to the lack of a hearing and to submit data and views on the proposed rule in writing. The proposed rule may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change. If, during the 30 day period allowed for comment, seven or more persons submit to the agency a written request for a hearing of the proposed rule, the agency shall proceed under the provisions of subdivisions 4 through (4F) 4g. In the event that a hearing is required, a citation in the state register to the prior publication of the proposed rule may be substituted for republication unless the agency has modified the proposed rule. If no hearing is required, the agency shall submit to the attorney general the proposed rule and notice as published, the rule as proposed for adoption, any written comments received by the

agency, and a statement of need and reasonableness for the rule. The agency shall give notice to all persons who requested to be informed that these materials have been submitted to the attorney general. This notice shall be given on the same day that the record is submitted. The attorney general shall approve or disapprove the rule as to (FORM AND) *its legality and its form to the extent the form relates to legality*, including the issue of substantial change, within 14 days. If he approves the rule, he shall promptly file *two copies* of 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 of state, nor published. The rule shall become effective upon publication in the state register in the same manner as provided for adopted rules in subdivision 4f. *The secretary of state shall forward one copy of each rule to the revisor of statutes.*

No rule shall be filed with the secretary of state or published in the state register unless the revisor of statutes has endorsed on the rule that it is approved as to form.

Sec. 48. Minnesota Statutes 1978, Section 15.0412, Subdivision 5, as amended by section 9, is further amended to read:

Subd. 5. When an agency is directed 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 subdivisions 4 through (4G) *4h*, or if an agency is expressly required or authorized by statute to adopt temporary rules, the agency shall adopt temporary rules in accordance with this subdivision. The proposed temporary rule shall be published in the state register (AND). For at least 20 days (THEREAFTER) *after publication* 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) *its legality and its form to the extent the form relates to 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. *The attorney general shall file two copies of the approved rule with the secretary of state.* 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 re-issued or continued in effect for an additional 90 days, but may

not immediately be reissued thereafter without following the procedure of *either* subdivisions 4 through 4g or 4h. *The secretary of state shall forward one copy of each approved and filed temporary rule to the revisor of statutes.*

No approved temporary rule shall be filed with the secretary of state or published in the state register unless the revisor of statutes has endorsed on the rule that it is approved as to form.

Sec. 49. Minnesota Statutes 1978, Section 15.0412, Subdivision 9, as added by section 11, is further amended to read:

Subd. 9. The agency shall, within six months after issuance of the hearing examiner's report, either withdraw the proposed rules or publish its adopted final action in the state register. If the agency has not *both filed the rules with the secretary of state and published its adopted final action in the state register* within six months, it shall not proceed to adopt the subject rules without rehearing the rules pursuant to all the procedures of this section, and it shall report to the appropriate committees of the legislature and to the governor its failure to adopt rules and the reasons for that failure.

Sec. 50. Minnesota Statutes 1978, Section 15.0412, is amended by adding a subdivision to read:

Subd. 10. For the purpose of obtaining the revisor's approval of the form of a rule prior to filing the rule with the secretary of state, a copy of the rule shall be submitted to the revisor at the same time it is submitted to the attorney general as required by subdivisions 4d, 4e, and 5. Within five days the revisor shall notify the attorney general and the agency of whether he or she will approve the form of the rule when it is presented for his or her endorsement.

Sec. 51. Minnesota Statutes 1978, Section 15.0413, Subdivision 1, as amended by section 12, is further 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 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. (SHOULD A DISCREPANCY EXIST BETWEEN THE RULES PUBLISHED IN THE STATE REGISTER AND THE RULES ON FILE WITH THE SECRETARY OF STATE, THE RULES ON FILE WITH THE SECRETARY OF STATE SHALL HAVE EFFECT.)

Sec. 52. Minnesota Statutes 1978, Section 15.05, is amended to read:

15.05 [PUBLICATION ACCOUNT.] (AN ADMINISTRATIVE RULES AND) A state register publication account is created in the state treasury. All receipts from the sale of (RULES AND) the state register shall be deposited in the account. All funds in the (ADMINISTRATIVE RULES AND) state register publication account in the state treasury are appropriated annually to the commissioner of administration to carry out the provisions of (SECTIONS 15.047 AND) *section 15.051.*

Sec. 53. Minnesota Statutes 1978, Section 15.051, Subdivision 1, is amended to read:

15.051 [STATE REGISTER.] Subdivision 1. [PURPOSE.] The commissioner of administration shall publish a state register containing all notices for hearings concerning rules, giving time, place and purpose of the hearing and the full text of the action being proposed. Further, the register shall contain all rules, amendments, suspensions, or repeals thereof, pursuant to the provisions of this chapter. The commissioner shall further publish any executive order issued by the governor which shall become effective 15 days after publication except as provided in section 4.035, subdivision 2. The commissioner shall further publish any official notices in the register which a state agency requests him to publish. Such notices shall include, but shall not be limited to, the date on which a new agency becomes operational, the assumption of a new function by an existing state agency, or the appointment of commissioners. The commissioner may prescribe the form, *excluding the form of the rules*, and manner in which agencies submit any material for publication in the state register, and he may withhold publication of any material not submitted according to the form or procedures he has prescribed.

The commissioner of administration may organize and distribute the contents of the register according to such categories as will provide economic publication and distribution and will offer easy access to information by any interested party.

Sec. 54. Minnesota Statutes 1978, Section 15.051, Subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF ITEMS FOR PUBLICATION.] Any state agency which desires to publish a notice of hearing, rule or regulation or change thereof shall submit a copy of the entire document, including dates when adopted, and filed with the secretary of state, to the commissioner of administration in addition to any other copies which may be required to be filed with the commissioner by other law.

The revisor of statutes shall provide assistance to the commissioner if requested. Alternatively, the commissioner may designate a contract compositor to whom the assistance is to be supplied. The assistance, in either case, shall consist of furnishing a machine readable computer tape, or similar services, for rules which are available in the revisor's computer data base and for which a written copy has been submitted by an agency to the commissioner for publication in the state register.

Sec. 55. Minnesota Statutes 1978, Section 648.31, is amended by adding a subdivision to read:

Subd. 6. [AGENCY RULES.] The revisor may integrate agency rules adopted pursuant to Minnesota Statutes, Section 15.0412, Subdivisions 4, 4a to 4h, and 5, into the Minnesota Statutes, or publish the rules as an adjunct to the Minnesota Statutes, or coordinate publication of the rules with the Minnesota Statutes.

Sec. 56. Minnesota Statutes 1978, Section 648.43, is amended to read:

648.43 [PAMPHLETS AUTHORIZED.] The (COMMISSIONER OF ADMINISTRATION IS REQUIRED TO) *revisor of statutes shall compose, print and deliver (IN PAMPHLET FORM SUCH EDITIONS OR) pamphlets containing parts of the Minnesota Statutes, parts of Minnesota Rules, or combinations of parts of the Statutes and Rules as may be necessary for the use of public officers and departments, the cost thereof to be borne by the office or department requesting the (SAME) pamphlets. (SUCH) The printing shall be (DISCRETIONARY,) limited to actual needs as shown by experience or other competent proof. The revisor shall use a standard form for the pamphlets.*

Sec. 57. [648.50] [COMPILATION AND DRAFTING OF ADMINISTRATIVE RULES.] *Subdivision 1. The revisor of statutes shall:*

(a) formulate a plan for the compilation of all permanent agency rules and, to the extent practicable, temporary agency rules, including their order, classification, arrangement, form, and indexing, and any appropriate tables, annotations, cross references, citations to applicable statutes, explanatory notes, and other appropriate material to facilitate use of the rules by the public, and for the compilation's composition, printing, binding and distribution;

(b) publish the compilation of agency rules which shall be called "Minnesota Rules" for the year of the compilation's publication;

(c) periodically either publish a supplement or a new compilation, which includes all rules adopted since the last supplement or compilation was published and removes rules incorporated in prior compilations or supplements which are no longer effective;

(d) periodically prepare and submit to the appropriate agency those revisions of the rules, which will, if adopted by the agency, in accordance with section 15.0412, subdivisions 4a to 4g, clarify, modernize or simplify the text of the rule without substantive alteration;

(e) maintain an agency rules drafting department to draft or aid in the drafting of rules or amendments to rules for any agency in accordance with the objective or other instructions which the agency shall give the revisor;

(f) prepare and publish an agency rules drafting guide which shall set out the form and method for drafting rules and amendments to rules, and to which all rules shall comply; and

(g) copyright any compilations and or supplements in the name of the state of Minnesota.

Subd. 2. The revisor of statutes shall file with the secretary of state one copy of each compilation or supplement which is published. The copy shall contain the revisor's certificate that the rules contained in the compilation or supplement have been compared to the original rules filed with the secretary of state and are correctly incorporated into the compilation.

Subd. 3. Any compilation or supplement published by the revisor and containing his certificate is prima facie evidence of the administrative rules in all courts and proceedings. A compilation or supplement shall not be construed as repealing an unpublished rule. If there is any inconsistency through omission or otherwise between a compilation or supplement, the state register, and a rule filed with the secretary of state, the rule filed with the secretary shall prevail.

Subd. 4. In preparing a compilation or supplement, the revisor shall not alter the sense, meaning or effect of any rule, but may renumber rules, paragraphs, clauses or other parts of a rule; combine or divide rules, paragraphs, clauses or other parts of a rule; rearrange the order of rules, paragraphs, clauses, or other parts of a rule; move paragraphs, clauses, or other parts of a rule to another rule; change reference numbers to agree with renumbered rules, paragraphs, clauses or other parts of a rule; substitute the proper rule, paragraph, clause, or other part of a rule for the term "this rule", "the preceding rule" and the like; substitute numbers for written words and written words for numbers; substitute the date on which the rule becomes effective for the words "the effective date of this rule", and the like; change

capitalization for the purpose of uniformity; correct manifest clerical or typographical errors; correct all misspelled words; and correct manifest grammatical and punctuation errors.

The revisor shall provide headnotes as catch words to rules and, if appropriate, to paragraphs, clauses, or other parts of a rule. The headnotes are not part of the rule even if included with the rule when it is adopted. The revisor shall change headnotes to clearly indicate the subject matter of the rules.

Subd. 5. Insofar as economically feasible, the revisor shall utilize the same equipment, computer assistance and procedures for drafting agency rules and publishing compilations and supplements as for preparing bill drafts and statutory publications.

Subd. 6. In determining the form of rules the revisor shall:

- (a) minimize duplication of statutory language;
- (b) not permit incorporations into the rules by reference of publications which are not conveniently available to the public;
- (c) to the extent practicable, use plain language in rules and avoid technical language; and
- (d) amend rules by showing the text of the rule, paragraph, clause, or other part of a rule being amended, as it is shown in the latest compilation or supplement, or, if not yet published in a compilation or supplement, then as the text is shown in the state register, with changes shown by striking and underlining words.

Subd. 7. Any compilation, reissue, or supplement published by the revisor shall be sold by the revisor for a reasonable fee and its proceeds deposited in the general fund. An agency shall purchase from the revisor the number of copies of the compilation or supplement needed by the agency. The revisor shall provide one copy of any compilation or supplement to all Minnesota county libraries and to any public library upon its request.

Sec. 58. [648.51] [PUBLICATION OF MINNESOTA RULES.] Notwithstanding any provision of law to the contrary, the revisor of statutes may obtain competitive bids from and enter into contracts with the lowest responsible bidder for compiling, editing, indexing, composition, printing, binding, distribution, or other services, if the work either cannot be performed by the revisor or it is uneconomical for the revisor to do so.

Sec. 59. The department of administration may not, as part of publishing the Minnesota Code of Agency Rules, renumber rules or compile them in a form different from that adopted by

an agency. This limitation does not restrict an agency from re-numbering or recompiling its own rules in accordance with the procedures of chapter 15. If it is determined by the commissioner of administration and the revisor of statutes that the product will be compatible with work to be done by the revisor under sections 50 to 69, the department may complete any work currently in progress to create a computer data base of agency rules. If completed, a computer tape of the completed data base and a printed copy shall be delivered to the revisor of statutes.

Sec. 60. *In the next and subsequent editions of Minnesota Statutes the revisor of statutes shall substitute the term "office of administrative hearings" for "office of hearing examiners" in every place where the latter term is used.*

Sec. 61. [REPEALER.] *Minnesota Statutes 1978, Sections 5.21, and 15.0423 are repealed.*

Sec. 62. [REPEALER.] *Minnesota Statutes 1978, Section 15.047, is repealed.*

Sec. 63. [EFFECTIVE DATE.] *Sections 1, 2, 5, 24, and 34 are effective the day after final enactment. Section 3 is effective on August 1, 1981. Section 7 is effective on September 1, 1980. Section 8 is effective on July 1, 1980. Any variance to a rule granted by an agency prior to the effective date of section 3 is valid notwithstanding the fact that the agency had not promulgated a rule governing the granting of variances at the time the variance was granted. Sections 39 to 51 and 53 to 59 are effective July 1, 1981, except that section 57, subdivision 1, clause (a) is effective July 1, 1980. Sections 52 and 62 are effective July 1, 1982.*

Sec. 64. A law enacted at the 1980 regular session styled as H. F. No. 1121, Article XII, Section 9, is amended to read:

Sec. 9. [CONTESTED CLAIMS PROCEDURE.] Subdivision 1. If a claimant agency (**EXCEPT FOR A PUBLIC AGENCY RESPONSIBLE FOR CHILD SUPPORT ENFORCEMENT**), receives written notice of a debtor's intention to contest at hearing the claim upon which the intended set-off is based, it shall initiate a hearing according to contested case procedures established in the state administrative procedure act not later than 30 days after receipt of the debtor's request for a hearing. (**THE PUBLIC AGENCY RESPONSIBLE FOR CHILD SUPPORT ENFORCEMENT SHALL PROVIDE FOR HEARING IN THE MANNER PRESCRIBED BY MINNESOTA STATUTES, SECTION 256.045.**)

This amendment is effective notwithstanding that H. F. No. 1121 may be approved or effective at a time later than this section. This section is effective the day after final enactment."

Delete the title and insert

"A bill for an act relating to state government; changing certain administrative procedures; providing for the compilation of agency rules and their publication by the revisor of statutes; amending Minnesota Statutes 1978, Sections 3.965; 15.0412, Subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1, 2 and 4; 15.0422; 15.0424, Subdivisions 1, 2 and 6; 15.0425; 15.0426; 15.047, Subdivision 2; 15.05; 15.051, Subdivisions 1, 2 and 3; 15.052, Subdivisions 1, 2, 3, 4, 5, 7, 8 and 9; 15.1691, Subdivision 3; 179.71, Subdivision 5; 179.72, Subdivision 3; 268.12, Subdivision 3; 299A.03, Subdivision 8; 648.31, by adding a subdivision; 648.43; and Minnesota Statutes, 1979 Supplement, Section 15.0411, Subdivision 2; and Chapter 648, by adding a section; repealing Minnesota Statutes 1978, Sections 5.21; 15.0423; and 15.047."

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

House Conferees: CARL W. KROENING, JAMES R. CASSERLY and WILLIAM A. CRANDALL.

Senate Conferees: DAVID D. SCHAFF and JOHN B. KEEFE.

Kroening moved that the report of the Conference Committee on H. F. No. 874 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 874, A bill for an act relating to state government; changing certain administrative procedures; amending Minnesota Statutes 1978, Sections 15.0411, Subdivision 2; 15.0412, Subdivisions 2, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1 and 4; 15.0422; 15.0424, Subdivision 6; and 15.052, Subdivisions 1, 2, 5, 7, 8 and 9; repealing Minnesota Statutes 1978, Sections 5.21, and 15.0423.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, G.	Berkelman	Carlson, L.	Dean
Adams	Anderson, I.	Biersdorf	Casserly	Dempsey
Ainley	Anderson, R.	Blatz	Clark	Den Ouden
Albrecht	Battaglia	Brinkman	Clawson	Drew
Anderson, B.	Begich	Byrne	Corbid	Eken
Anderson, D.	Berglin	Carlson, D.	Crandall	Elioff

Ellingson	Johnson, C.	McEachern	Piepho	Stowell
Erickson	Johnson, D.	Mehrkens	Pleasant	Sviggum
Esau	Jude	Metzen	Prahl	Swanson
Evans	Kahn	Minne	Redalen	Thiede
Ewald	Kaley	Moe	Reding	Tomlinson
Faricy	Kalis	Munger	Rees	Valan
Fjoslien	Kelly	Murphy	Reif	Valento
Forsythe	Kempe	Nelsen, B.	Rice	Vanasek
Friedrich	Knickerbocker	Nelsen, M.	Rodriguez	Voss
Fritz	Kostohryz	Niehaus	Rose	Waldorf
Fudro	Kroening	Norman	Rothenberg	Weaver
Greenfield	Kvam	Novak	Sarna	Welch
Halberg	Laidig	Nysether	Schreiber	Welker
Haukoos	Lehto	Olsen	Searle	Wenzel
Heap	Levi	Onnen	Searles	Wieser
Heinitz	Long	Osthoff	Sherwood	Wigley
Hoberg	Ludeman	Otis	Sieben, H.	Wynia
Hokanson	Luknic	Patton	Sieben, M.	Zubay
Jacobs	Mann	Pehler	Simoneau	Spkr. Norton
Jaros	McCarron	Peterson, B.	Stadum	
Jennings	McDonald	Peterson, D.	Stoa	

The bill was repassed, as amended by Conference, and its title agreed to.

MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1507, A bill for an act relating to appropriations; converting certain standing appropriations to direct appropriations; abolishing other standing appropriations; appropriating money; amending Minnesota Statutes 1978, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; and 638.08; repealing Minnesota Statutes 1978, Section 7.07.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Laidig moved that the House concur in the Senate amendments to H. F. No. 1507 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1507, A bill for an act relating to appropriations; abolishing certain standing appropriations; amending Minnesota Statutes 1978, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; and 638.08; repealing Minnesota Statutes 1978, Section 7.07.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

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

There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Nelsen, M.	Searles
Adams	Eken	Kaley	Niehaus	Sherwood
Ainley	Elioff	Kalis	Norman	Sieben, H.
Albrecht	Ellingson	Kelly	Novak	Sieben, M.
Anderson, B.	Erickson	Kempe	Nysether	Simoneau
Anderson, D.	Esau	Knickerbocker	Olsen	Stadum
Anderson, G.	Evans	Kostohryz	Onnen	Stoa
Anderson, I.	Ewald	Kroening	Osthoff	Stowell
Anderson, R.	Faricy	Kvam	Otis	Sviggum
Battaglia	Fjoslien	Laidig	Patton	Swanson
Begich	Forsythe	Lehto	Pehler	Thiede
Berglin	Friedrich	Levi	Peterson, B.	Tomlinson
Berkelman	Fritz	Long	Peterson, D.	Valan
Biersdorf	Fudro	Ludeman	Piepho	Valento
Blatz	Greenfield	Luknic	Pleasant	Vanasek
Brinkman	Haukoos	Mann	Prahl	Voss
Byrne	Heap	McCarron	Redalen	Waldorf
Carlson, D.	Heinitz	McDonald	Reding	Weaver
Carlson, L.	Hoberg	McEachern	Rees	Welch
Casserly	Hokanson	Mehrkens	Reif	Welker
Clark	Jacobs	Metzen	Rice	Wenzel
Clawson	Jaros	Minne	Rodriguez	Wieser
Crandall	Jennings	Moe	Rose	Wigley
Dean	Johnson, C.	Munger	Rothenberg	Wynia
Dempsey	Johnson, D.	Murphy	Sarna	Spkr. Norton
Den Ouden	Jude	Nelsen, B.	Schreiber	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted.

S. F. No. 2419.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2419, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and technical errors of a noncontroversial nature; amending Minnesota Stat-

utes, 1979 Supplement, Section 204A.23; Laws 1980, Chapters 341, Section 8; 345, Section 17; 357, Section 21; 358, Section 2; 361, Section 6; and 373, by adding a section; amending laws enacted at the 1980 regular session styled as S. F. No. 1865, by adding a section; S. F. No. 2117, Sections 1 and 2; H. F. No. 1710, Section 15; H. F. No. 1878, Section 8; and H. F. No. 1942, Section 3.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Faricy moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2419 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Faricy moved that the rules of the House be so far suspended that S. F. No. 2419 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 2419 was read for the second time.

Faricy moved to amend S. F. No. 2419, the second engrossment, as follows:

Page 9, line 29 to page 10, line 11, delete section 10 relating to Laws 1980, Chapter 373, from the bill.

Re-number the sections accordingly

Further, amend the title as follows:

Lines 14 and 15, delete "373, by adding a section;"

The motion prevailed and the amendment was adopted.

S. F. No. 2419, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and technical errors of a noncontroversial nature; amending Minnesota Statutes, 1979 Supplement, Section 204A.23; Laws 1980, Chapters 341, Section 8; 345, Section 17; 357, Section 21; 358, Section 2; 361, Section 6; and 373, by adding a section; amending laws enacted at the 1980 regular session styled as S. F. No. 1865, by adding a section; S. F. No. 2117, Sections 1 and 2; H. F. No. 1710, Section 15; H. F. No. 1878, Section 8; and H. F. No. 1942, Section 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Niehaus	Sieben, H.
Adams	Eken	Kalis	Norman	Sieben, M.
Ainley	Elioff	Kelly	Novak	Stadum
Albrecht	Ellingson	Kempe	Nysether	Stoa
Anderson, B.	Erickson	Knickerbocker	Olsen	Stowell
Anderson, D.	Esau	Kostohryz	Onnen	Sviggum
Anderson, G.	Evans	Kroening	Osthoff	Swanson
Anderson, I.	Ewald	Kvam	Otis	Thiede
Anderson, R.	Faricy	Laidig	Patton	Tomlinson
Battaglia	Fjoslien	Lehto	Pehler	Valan
Begich	Forsythe	Levi	Peterson, B.	Valento
Berglin	Friedrich	Long	Peterson, D.	Vanasek
Berkelman	Fritz	Ludeman	Piepho	Voss
Biersdorf	Fudro	Luknic	Pleasant	Waldorf
Blatz	Greenfield	Mann	Prahl	Weaver
Brinkman	Halberg	McCarron	Redalen	Welch
Byrne	Haukoos	McDonald	Reding	Welker
Carlson, D.	Heap	McEachern	Rees	Wenzel
Carlson, L.	Heinitz	Mehrkens	Reif	Wieser
Casserly	Hoberg	Metzen	Rice	Wigley
Clark	Hokanson	Minne	Rodriguez	Wynia
Clawson	Jacobs	Moe	Rose	Zubay
Corbid	Jennings	Munger	Sarna	Spkr. Norton
Crandall	Johnson, C.	Murphy	Schreiber	
Dean	Johnson, D.	Nelsen, B.	Searle	
Dempsey	Jude	Nelsen, M.	Searles	
Den Ouden	Kahn	Nelson	Sherwood	

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2304

A bill for an act relating to initiative; proposing an amendment to the Minnesota Constitution, Article VII by adding a section; authorizing initiative on laws; providing a statute implementing the amendment; providing for the manner of petitioning and voting on initiative measures; providing for disclosure of campaign costs on ballot issues; providing that expenditures to promote or defeat a measure may not be taken as a deduction or credit against income taxes; providing for judicial review; providing penalties; amending Minnesota Statutes 1978, Sections 10A.01, Subdivision 15; 10A.20, by adding a subdivision; 203A.31, Subdivisions 2 and 3; 204A.24; 204A.40, Subdivision 2; 204A.53, Subdivision 3; 290.09, Subdivision 2; 290.21, Subdivision 3; and 645.02.

April 11, 1980

The Honorable Fred C. Norton
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 2304, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2304 be further amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE I

INITIATIVE AND REFERENDUM

Section 1. Subdivision 1. An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, a new section shall be added to Article IV, which shall read:

Sec. 27. [INITIATIVE AND REFERENDUM.] A law may be initiated or referred for repeal upon petition by eligible voters. An initiative or referendum measure shall be placed on the ballot at a general election if petitions for the measure are signed by eligible voters in each congressional district of the state in a number not less than five percent of the number of persons who voted at the last general election in that congressional district. An initiative or referendum measure shall be adopted upon the affirmative vote of a majority of those voting on the question. The voters may not initiate or refer for repeal a constitutional amendment, an appropriation or a special law.

The governor shall have no power to approve or veto an initiative or referendum measure adopted by the voters.

No law adopted by initiative shall be amended or repealed and no law repealed by referendum shall be reenacted by the legislature until another general election has intervened.

The sponsors of an initiative or referendum measure, if the legislature enacts a law with a similar scope and purpose, may elect to place the measure on the ballot or to abandon the measure. If the measure is not abandoned, the legislature may submit the law which it has enacted to a vote of the people in the same manner as an initiative or referendum measure at the election at which the initiative or referendum measure is submitted. If a law enacted by the legislature is submitted to the people at the same election as an initiative or referendum measure, it shall not be subject to veto by the governor and it shall not be effective unless approved by a majority of those voting on the question.

The legislature shall implement the provisions of this section by law.

This section expires January 1, 1985.

Sec. 2. The amendment proposed in section 1 shall be submitted to the people at the 1980 general election. The question submitted shall be:

“Shall the Minnesota Constitution be amended to provide for initiative and referendum?”

Yes

No

Sec. 3. [3B.01] [CITATION.] *Sections 3 to 30 may be cited as “The Initiative and Referendum Implementation Act”.*

Sec. 4. [3B.02] [DEFINITIONS.] *Subdivision 1. The words defined by this section shall, when used in sections 3 to 30, have the meanings given them.*

Subd. 2. “General election” is as defined in section 200.02, subdivision 2.

Subd. 3. “Measure” means the proposed law in an initiative petition or the law proposed to be repealed in a referendum petition.

Subd. 4. “Petition drive” means the organized process by which the sponsors and their authorized agents solicit eligible voters to sign initiative or referendum petitions.

Subd. 5. “Eligible voter” has the meaning provided in section 200.02, subdivision 25.

Subd. 6. “Sponsors” means the persons specified by section 5, subdivision 2, clause (a).

Sec. 5. [3B.03] [PREPARATION FOR PETITIONING ON AN INITIATIVE OR REFERENDUM MEASURE.] *Subdivision 1. Before circulation of any petitions to have an initiative or referendum measure placed on the ballot, the sponsors shall file a declaration with the secretary of state not later than March 1 of an odd numbered year.*

Subd. 2. The declaration shall:

(a) State the names, mailing addresses and any business or residential phone numbers of not less than 50 eligible voters with an indication of who is the chairman and who is the treasurer;

(b) State the name and mailing address of all committees, groups or organizations known to the sponsors who intend to support the petition drive on the measure or otherwise aid the sponsors;

(c) Give a description of the intent or purpose of an initiative or referendum measure;

(d) For a referendum measure, give a precise citation of the law, or portion of a law, which the sponsors seek to have referred. The citation shall be to the Laws of Minnesota, by chapter and, if appropriate, section number, or to the chapter, section or subdivision of the latest edition of Minnesota Statutes;

(e) State a short title by which the sponsors want the initiative or referendum measure to be identified and which is not misleading; and

(f) State the name, address and phone number of a person who is generally available to work on the final form and wording of the measure and is authorized to approve its final form and wording.

Subd. 3. The secretary of state shall provide a sample declaration form.

Subd. 4. The sponsors shall pay to the secretary of state a filing fee of \$200 which shall be deposited in the general fund.

Sec. 6. [3B.04] [ADVICE BY REVISOR OF STATUTES.]

Subdivision 1. The secretary of state shall immediately forward one copy of each declaration provided for in section 5 to the revisor of statutes. The secretary of state shall also advise the sponsors to consult with the revisor.

Subd. 2. The revisor of statutes shall, within 42 days after the filing of the declaration, prepare a final draft of an initiative or referendum measure. The intent and purpose may be amplified or refined by the sponsor authorized in the declaration to approve the form and wording of the measure. The revisor shall advise that sponsor as to the measure's constitutionality, and the best form of the measure to accomplish the sponsors' intent and purpose. However, if the revisor and the sponsors disagree as to the best form and content of the measure to accomplish the sponsors' intent and purpose, or disagree as to constitutionality, the directions of the sponsors shall prevail. All discussions by the revisor with the sponsors shall be treated by the revisor as confidential. If, after consulting with the revisor, the sponsors do not desire the revisor's assistance, they shall sign a written waiver of assistance. The waiver shall then be filed with the secretary of state and the revisor, together with a final draft of the initiative or referendum measure prepared by the sponsors. Together with the final draft prepared by the revisor, or within

seven days after receiving the waiver and final draft prepared by the sponsors, the revisor shall furnish the sponsors and the secretary of state with a summary of the measure to be proposed to the people.

Subd. 3. The form of initiative and referendum measures shall conform to the form of bills considered by the legislature. The enacting clause shall be "BE IT ENACTED BY THE PEOPLE OF THE STATE OF MINNESOTA". No initiative or referendum measure shall embrace more than one subject. The measure may not provide for the form of the ballot question by which it would be submitted to the electors.

Subd. 4. If the sponsors, within 63 days after filing their declaration have not filed with the secretary of state either the revisor's final draft of the measure or their waiver of assistance from the revisor and a final draft of the measure prepared by them, the petition drive shall be deemed abandoned.

Sec. 7. [3B.05] [PETITIONS FOR INITIATIVE OR REFERENDUM.] Subdivision 1. Each initiative or referendum petition shall consist of as many copies as the sponsors print, each of which shall be not more than one sheet of paper and contain the following on the front:

(a) In not less than 24 point bold type on a 30 point body at the top of the front page, the printed words "OFFICIAL INITIATIVE (OR REFERENDUM) PETITION";

(b) The short title by which the initiative or referendum measure is to be identified and the chairman of the sponsors;

(c) The summary of the measure prepared by the revisor;

(d) A statement that a verbatim copy of the initiative or referendum measure is available for public examination at the office of the secretary of state or any county auditor; and

(e) Space for eligible voters to sign the petition including space for the signature, printed name, telephone number, mailing address, county and congressional district of residence and an indication of status as eligible voter.

Subd. 2. On the front or back of each petition shall be an affidavit for the person circulating the petition which shall include his name, mailing address, and phone number; indicate that he circulated the petition; indicate that to the best of his knowledge each of the signers is an eligible voter and resident in the county and congressional district indicated; identify the sponsors on whose behalf the petition was circulated; and state the period during which it was circulated.

Subd. 3. At the time the final draft of the initiative or referendum measure is filed with the secretary of state, as provided by section 6 the sponsors shall also file a copy of the petition with the secretary of state. Within seven days the secretary shall examine the petition and determine whether it complies with this section. If the petition complies, the secretary shall approve it and notify the sponsors. If the secretary finds that the form of the petition is not in compliance, he shall disapprove it and order it redrafted. The secretary shall notify the sponsors that the petition is not in compliance with the law and specify what changes are necessary to bring it into compliance. Failure to refile a new petition drafted in accordance with the secretary's instructions not later than seven days after the secretary's notice constitutes abandonment of the petition drive. Upon refiling, the secretary shall again examine the petition for its compliance with this section and approve it or again reject it within seven days after the refiling. The petition may subsequently be refiled until it is found to comply with the law and rules.

Subd. 4. The secretary of state shall, within seven calendar days after approving the initiative or referendum petition, send to the county auditor in each county a verbatim copy of the initiative or referendum measure as on file in his office.

Sec. 8. [3B.06] [TIME OF CIRCULATION OF INITIATIVE OR REFERENDUM PETITIONS; VOLUNTARY ABANDONMENT.] *Subdivision. 1. Initiative and referendum petitions may only be circulated on those days of odd numbered years which are more than eight calendar days after the date of the secretary of state's approval of the petition. This limitation shall not prevent the sponsors from undertaking organizational activity or completing the procedures of sections 5, 6 or 7 prior to the time petitions are circulated.*

Subd. 2. The sponsors may voluntarily abandon the petition drive any time before December 31 of the year in which the petitions are filed or the date on which the petition is certified by the secretary of state as provided in section 14, whichever occurs first. To abandon the drive, a declaration to that effect shall be filed with the secretary of state. The filing of the declaration shall not prevent other sponsors from beginning a similar or identical petition drive. All petitions signed prior to the declaration are invalid upon the filing of the declaration and may not subsequently be utilized by the new sponsors.

Subd. 3. Petitions which are signed but never filed, or which are filed but the number of signatures is later determined to be insufficient, are invalid on June 1 after the year in which they were signed. The petitions may not be used for similar or identical petition circulation efforts in subsequent years.

Sec. 9. [3B.07] [AMOUNT OF SIGNATURES FOR INITIATIVE OR REFERENDUM.] *An initiative or referendum measure shall be placed on the ballot if petitions for the measure*

are signed by eligible voters in each congressional district of the state in a number not less than five percent of the number of persons who voted at the last general election in that congressional district. For the purpose of determining the number of persons who voted at the last general election, when an election precinct contains more than one congressional district the number of persons voting at the last general election in each district in that precinct shall be the number of persons who voted for the office of representative in congress in that portion of the precinct.

Sec. 10. [3B.08] [FILING OF PETITIONS.] *The sponsors shall file the signed petitions with the secretary of state not later than October 1 of the year in which the petitions were circulated. Before filing the signed petitions the sponsors shall securely bind them together.*

Only the sponsors, or those authorized in writing by the sponsors, may file petitions.

Sec. 11. [3B.09] [PETITIONS RECEIVED BY SECRETARY OF STATE AND SIGNATURES COUNTED.] *The secretary of state shall determine the total number of signatures on the petitions filed and shall, not later than October 10, give written notification to the sponsors of the number of signatures in each congressional district. If the number of signatures filed is less than the minimum number of signatures required in a congressional district, petitions for additional signatures may be circulated for one additional period of 21 days commencing from the date of notification.*

Sec. 12. [3B.10] [VERIFICATION OF PETITIONS.] *Subdivision 1. Not later than December 31 of the year in which the petitions were signed the secretary of state shall determine whether a sufficient number of valid signatures has been obtained. The secretary may verify signatures by the random sampling method provided in section 13. County auditors shall assist the secretary in verifying signatures, at the secretary's request. Any eligible voter may challenge the number or validity of signatures on the petition. The secretary of state shall determine the contest of the number or validity of signatures by an eligible voter.*

Subd. 2. A signature is valid when:

- (a) It is signed by the person named;*
- (b) It is voluntarily signed;*
- (c) The signatory is an eligible voter;*
- (d) The signatory is a resident of the congressional district indicated on the petition; and,*

(e) *The signature is identifiable.*

Subd. 3. An eligible voter contesting the sufficiency or validity of signatures shall file a protest within the time provided in subdivision 1 for the secretary of state to verify the petitions or within seven days of the determination of the secretary of state under subdivision 1, whichever occurs earlier. The protest shall include a brief statement of the evidence of insufficiency or invalidity. If an eligible voter contests the sufficiency or validity of signatures in bad faith, he may be assessed costs of the contest up to a maximum of \$200. The secretary of state shall hear evidence and determine contests within 21 days after the protest is filed.

Subd. 4. If the secretary of state determines that the number of valid signatures is less than the number required, he shall so notify the sponsors and petitions for additional signatures may be circulated for an additional period of 21 days, in the case of a determination of an actual number deficiency, or 35 days, in the case of an estimated number deficiency, commencing from the date of notification. The secretary shall verify a random sample of the additional signatures within 10 days of receiving them. If the verification from the random sample of the additional signatures does not show that the total number of valid signatures on the additional petitions is 100 percent or more of the deficiency, the secretary shall notify the sponsors. No further action shall then be taken on the petitions.

Sec. 13. [3B.11] [RANDOM SAMPLING METHOD OF SIGNATURE VERIFICATION.] *Subdivision 1. A sample of signatures to be verified shall be drawn in such a manner that every signature filed with the secretary of state shall be given an equal opportunity to be included in the sample. The sample shall include five percent of the signatures.*

Subd. 2. If the verification from the statistical sample shows that the total number of valid signatures on all the petitions is 100 percent or more of the minimum number of signatures needed to declare the number of petition signatures to be sufficient for each congressional district, the secretary of state shall determine the number of valid signatures to be sufficient. The number of valid signatures shall be determined by taking the total number of signatures filed in each congressional district and multiplying it by the percentage of signatures in the statistical sample which were found to be valid. In calculating the number of valid signatures, any fractions shall be rounded up to one.

Subd. 3. If the verification from the statistical sample shows that the number of valid signatures is less than 100 percent of the minimum number of signatures needed to declare the number of petition signatures to be sufficient for each congressional district, the secretary of state shall determine that the number of

petition signatures is insufficient. The secretary shall give the sponsors written notice of what percentage of the signatures is valid.

Sec. 14. [3B.12] [CERTIFICATION BY SECRETARY OF STATE.] *If the number of petition signatures from each congressional district meets the minimum number required, the secretary of state shall certify the sufficiency of the initiative or referendum petitions to the sponsors and all county auditors. The question of adoption of a proposed law in an initiative petition or of repeal of a law in a referendum petition shall then be placed on the ballot for the general election. The secretary of state's certificate shall state the wording of the question to be placed on the ballot. The executive council shall recommend to the secretary of state a wording for the question. The ballot question shall be a true and impartial statement of the intent and purpose of the initiative or referendum measure. It shall be in similar form as a ballot question for a legislative proposal of a constitutional amendment.*

Sec. 15. [3B.13] [ABANDONMENT OF INITIATIVE OR REFERENDUM.] *The sponsors of an initiative or referendum measure may abandon the measure after the sufficiency and validity of the petition is certified by the secretary of state and before June 1 of the even numbered year after the petition is filed, if the legislature has enacted a law with a similar scope and purpose during that period. The measure is abandoned if four-fifths of the sponsors sign a written declaration abandoning the measure and the declaration is filed with the secretary of state. If an initiative or referendum measure is abandoned as provided in this section it shall not be placed on the ballot and the petition shall not be effective to initiate any other proposed law or refer any other existing law.*

Sec. 16. [3B.14] [PLACEMENT OF LAW ON BALLOT.] *If an initiative or referendum petition has been certified so that an initiative or referendum measure will appear on the ballot at the next general election and the legislature enacts a law with a scope and purpose similar to that of the initiative or referendum measure during its regular session in that general election year, the legislature may place that law on the ballot in the manner provided for an initiative or referendum measure under section 14. The law shall appear on the ballot as provided by the legislature unless the initiative or referendum measure is abandoned as provided in section 15.*

Sec. 17 [3B.15] [NUMBERING OF BALLOT MEASURES.] *The secretary of state shall number in consecutive order each initiative or referendum ballot measure with the wording "BALLOT QUESTION . . .". Ballot questions shall be numbered sequentially starting from the number one for the first ballot question certified to be placed on the ballot after the*

effective date of this section. Ballot questions which are certified to appear on the ballot in general elections in subsequent years shall be numbered sequentially beginning with the first number after the number of the last ballot question at the last general election. The order shall be assigned by the secretary of state in the order that it is finally determined that each question will be placed on the statewide ballot at the next general election.

Sec. 18. [3B.16] [BALLOTS, VOTING AND CANVASING OF INITIATIVE OR REFERENDUM QUESTIONS.] *On all initiative and referendum measures, the ballots shall be prepared, voting conducted, results canvassed, contests conducted and results certified as provided by chapters 200 to 209.*

Sec. 19. [3B.17] [TIME OF ELECTION ON INITIATIVE AND REFERENDUM QUESTIONS.] *Voting upon initiative or referendum questions shall be held only at a general election.*

Sec. 20. [3B.18] [SIMULTANEOUS PETITIONS FOR INITIATIVE MEASURES.] *Nothing shall prevent multiple simultaneous petition drives involving identical initiative or referendum measures whether by the same or different sponsors. However, the first determination by the secretary of state of the sufficiency of the signatures for one measure shall automatically constitute abandonment of the other petition drives as of the date of the secretary's determination.*

Sec. 21. [3B.19] [COSTS OF COUNTY AUDITORS TO VERIFY SIGNATURES.] *Subdivision 1. The state of Minnesota shall reimburse all county auditors for all reasonable costs of assisting in the verification of signatures on initiative or referendum petitions.*

Subd. 2. Each year prior to May 1, each auditor shall submit to the secretary of state a verified statement of expenditures incurred in the previous calendar year. The statement shall specify how all costs were incurred.

Subd. 3. The secretary of state shall, within 30 days after receipt of each auditor's statement, pay to each county auditor the costs which the secretary determines are reasonable.

Subd. 4. The secretary of state shall, by rule, provide for the standards of what costs will be reimbursed by the state.

Sec. 22. [3B.20] [RESOLUTION OF CONFLICTS BETWEEN INITIATIVE OR REFERENDUM MEASURES.] *Subdivision 1. Nothing shall prevent petitioning for measures which are apparently in substantial conflict.*

Subd. 2. If two or more measures which substantially conflict are adopted by a vote of the people, including a measure

placed on the ballot by the legislature, the one receiving the highest number of affirmative votes shall be effective. In the event that it is finally determined that the measures received an equal number of affirmative votes, neither measure shall become effective, but they shall again be placed on the ballot at the next general election.

Subd. 3. A petition may be filed with the district court by any eligible voter alleging that two or more adopted measures substantially conflict. A copy of the petition shall be served upon the sponsors and upon the attorney general. The district court shall issue its findings and conclusions within 60 days of the filing of the petition.

Subd. 4. The district court shall find that two or more measures substantially conflict when any material provision in one measure is irreconcilable with a material provision in another measure. Upon a finding that any provisions of measures substantially conflict, the district court shall find that the entire measures conflict and state which measure prevails under the provisions of subdivision 2.

Sec. 23. [3B.21] [PUBLICATION OF ADOPTED INITIATIVE MATTERS.] Subdivision 1. Initiative or referendum measures which are adopted by the people shall be published by the revisor of statutes in the laws of Minnesota for the legislative session for the year subsequent to the year of the election at which the law is adopted. Initiative and referendum measures shall be placed in a separate section of the Laws of Minnesota and given chapter numbers by the revisor of statutes distinctive from the chapter numbers given legislative enactments by the secretary of state.

Subd. 2. If an initiative or referendum measure is adopted by the people, the revisor of statutes may incorporate it into the next edition of the Minnesota Statutes or the supplement to the Minnesota Statutes in the same manner as for legislative enactments.

Sec. 24. [3B.22] [LITERATURE MUST INCLUDE NAMES.] Any person or committee who shall publish, issue, post, circulate, or cause to be published, issued, posted, circulated, other than in a newspaper as provided in section 25, any literature, campaign material, or any publication, including cards, pamphlets, flyers, signs, banners, leaflets, announcements, or other material tending to influence desire to sign or refusal to sign an initiative or referendum petition or the voting at an election on a ballot issue, which fails to prominently display the name and mailing address of the author, the name of the person or committee in whose behalf the same is published, issued, posted, or circulated, and the name and mailing address of any other person or committee causing the same to be pub-

lished, issued, posted, circulated, or broadcasted shall be guilty of a misdemeanor.

Sec. 25. [3B.23] [PAID ADVERTISEMENTS IN NEWS.]

Subdivision 1. No publisher of a newspaper, periodical, or magazine shall insert in that newspaper, magazine, or periodical, and no radio or television station shall broadcast any matter paid or to be paid for which tends or is intended to influence directly or indirectly the desire to sign or refusal to sign an initiative or referendum petition or any voting at an election on a ballot issue unless it is prominently indicated that it is a paid advertisement. There shall also be a statement of the amount paid or to be paid, or a statement that the same is to be paid at regular advertising rates, the name of the person or committee in whose behalf the matter is inserted or broadcast and of any other person or the names of the officer and the committee authorizing the publication.

Subd. 2. To the extent that any person sells either advertising space or broadcast time used on behalf of any measure, the charges made shall not exceed the charges made for any other comparable purpose or use according to the seller's rate schedule.

Sec. 26. [3B.24] [DISCLOSURE TO ETHICAL PRACTICES BOARD.] *For the purpose of section 10A.01, subdivision 15, "political committee" includes any association organized to promote or defeat a ballot question, including the sponsors of a petition as defined by section 4, subdivision 6, and any association that gives implicit or explicit consent for any other person to receive contributions or make expenditures to promote or defeat a ballot question.*

Sec. 27. [3B.25] [PROHIBITIONS.] *Subdivision 1. No person shall:*

(a) Be paid compensation for signing an initiative or referendum petition;

(b) Willfully refuse to file a statement of expenses regarding an initiative or referendum measure when required by law;

(c) Publish any literature, campaign material or any publication including cards, pamphlets, flyers, signs, banners, leaflets, or other material or any radio or television broadcast regarding an initiative or referendum measure which does not bear the identification required by law;

(d) Publish in any newspaper, periodical or magazine any paid advertising matter relating to an initiative or referendum measure which does not contain the identification required by law;

(e) *File a petition for an initiative or referendum measure with the secretary of state without the written authorization of the sponsors;*

(f) *Induce a person to sign a petition by fraud, force or the threat of force;*

(g) *Pay compensation for signing an initiative or referendum petition;*

(h) *Publish or broadcast any information regarding an initiative or referendum measure with knowledge that it is false and which tends to substantially affect adoption or rejection of the measure when the publication or broadcast is undertaken primarily for the purpose of influencing adoption or rejection;*

(i) *Sign a petition with a name other than his own name; or*

(j) *Intentionally sign the same petition more than once.*

Subd. 2. Any person violating any provision of subdivision 1, clauses (a), (b), (c), (d) or (e) is guilty of a misdemeanor. Any person violating any provision of subdivision 1, clauses (f), (g), (h), (i) or (j) is guilty of a gross misdemeanor.

Sec. 28. [3B.26] [ACTION BY AND NOTIFICATIONS TO SPONSORS.] *Subdivision 1. Only sponsors, or those authorized by them in writing, may file any required document or statement regarding initiative or referendum petitions, measures or campaigns including election contests or petition signature count or validity contests.*

Subd. 2. The signature of the chairman, of the sponsors, or a person authorized in writing by the chairman, is sufficient to authorize the filing of any statement or document required by law. If the chairman authorizes another person to file any statement or document, a copy of the authorization shall be attached to the filed statement or document.

Subd. 3. If notice is required to be given to the sponsors, it shall be given to those persons provided in subdivision 2 who may authorize any filing.

Sec. 29. [3B.27] [DATES OF ACTIONS.] *Subdivision 1. In sections 3 to 30, whenever an action is required to be taken on a specified date or by the end of an elapsed number of days, and that day is a Saturday, Sunday or a legal holiday, the action shall be accomplished on the next day which is not a Saturday, Sunday or a legal holiday.*

Subd. 2. In sections 3 to 30, whenever a document is required to be filed or received, only physical deposit of the document

with the indicated person constitutes filing or receipt. A mailing date within the time period is not sufficient.

Sec. 30. [3B.28] [JUDICIAL REVIEW OF INITIATIVE OR REFERENDUM MATTERS.] *Subdivision 1. The district court shall have original jurisdiction of any suit involving:*

(a) the sufficiency of the number or validity of signatures on petitions after the administrative determinations, by the secretary of state have been exhausted; or,

(b) resolution of conflicts between initiative or referendum measures as provided by section 22; or,

(c) any suit alleging the unconstitutionality of an adopted initiative or referendum measure.

Subd. 2. Venue for all suits and criminal prosecutions involving initiative or referendum matters shall be in the district court in Ramsey County.

Subd. 3. Suits contesting a final administrative determination of the number or validity of signatures on petitions shall be filed not later than 10 calendar days after the final determination.

Suits involving conflicts between initiative or referendum measures shall be filed prior to the effective date of the initiative or referendum measures.

Subd. 4. A court may defer the effective date of an adopted initiative or referendum measure when a deferral, in the discretion of the court, is found to be in the interest of justice.

Sec. 31. Minnesota Statutes 1978, Section 10A.20, is amended by adding a subdivision to read:

Subd. 2a. In addition to the reports required by subdivision 2, a political committee organized to promote or defeat a ballot question shall also file reports not later than five days after a petition to place the question on the ballot is certified pursuant to section 14.

Sec. 32. Minnesota Statutes 1978, Section 203A.31, Subdivision 2, is amended to read:

Subd. 2. [STATE PINK AND BLUE BALLOTS.] *There shall be one ballot on pink paper, hereinafter called the "pink ballot," upon which all (PROPOSITIONS AND QUESTIONS) constitutional amendments to be voted upon throughout the state shall be printed so that the voters may indicate by a mark (X) either a negative or affirmative vote. All initiative or referendum ballot questions shall be on one blue ballot. The order of*

the questions shall be in the order of their sequential numbers assigned pursuant to section 17. In preparing the pink (BALLOT) and blue ballots the secretary of state shall apply an appropriate title to each proposition and question, which title shall be approved by the attorney general, and shall consist of not more than one printed line above the proposition or question to which it refers. (AT THE HEAD OF THE BALLOT OR IN SOME OTHER PROMINENT PLACE ON THE BALLOT THERE SHALL BE PRINTED CONSPICUOUSLY) After each question on a constitutional amendment shall be printed a notice stating in substance that a voter's failure to vote on a constitutional amendment has the effect of a negative vote. The pink ballots shall be deposited in a separate pink ballot box. The blue ballots shall be deposited in a separate blue ballot box. They shall be counted, canvassed and returned as in the case of white ballots, and the tally books and return blanks shall provide suitable columns and spaces therefor. The total of the "yes" votes, the total of the "no" votes, and the total number of votes cast shall be reported in the returns.

Sec. 33. Minnesota Statutes 1978, Section 203A.31, Subdivision 3, is amended to read:

Subd. 3. [PREPARATION; PINK AND BLUE BALLOT.] The pink ballot *and the blue ballot* shall be prepared under the direction of the secretary of state and bound in blocks of 50, and a sufficient number thereof to enable the clerks to comply with the provisions of section 203A.11, subdivision 2 shall be forwarded by him by express to the auditor of each county at least 15 days before the general election, and receipts taken therefor, stating the number and date when received. Four weeks before the general election the secretary of state shall file sample copies of the pink *and blue* ballots in his office for public inspection, and three weeks before the election the secretary shall mail to the auditor of each county sample copies of the pink *and blue* ballots.

Sec. 34. Minnesota Statutes 1978, Section 204A.24, is amended to read:

204A.24 [EXPENSES.] The compensation prescribed in section 204A.23, clause (a), the cost of printing the white, *blue*, and pink ballots, and all necessary expenses incurred by the secretary of state in connection with elections, shall be paid by the state out of moneys not otherwise appropriated. The compensation prescribed in section 204A.23, clauses (b) and (c), the cost of printing the county and district canary ballots, all necessary expenses incurred by auditors in connection with elections, and the expenses of special county elections, shall be paid by the respective counties. The compensation prescribed in section 204A.23, clauses (d) and (e), the cost of printing the municipal light green ballots, of providing ballot boxes and polling places, and equipping the same, and all necessary expenses of the clerks of

municipalities on account of elections, except special county elections, shall be paid by the respective towns or cities where the elections are held. All disbursements hereunder shall be presented, audited, and paid as in the case of other public expenses.

Sec. 35. Minnesota Statutes 1978, 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 blue box*, the canary box, the light green 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. 36. Minnesota Statutes, 1979 Supplement, Section 204A.53, Subdivision 3, is amended to read:

Subd. 3. [STATE CANVASS, GENERAL ELECTION.] After the general election, the canvassing board shall canvass the certified copies of the statements made by the county canvassing boards, and they shall prepare therefrom a statement of the following information:

(a) A statement of the whole number of votes counted for candidates for state offices, congressional offices, and such other candidates as shall be voted for in more than one county, specifying the several counties in which they were cast;

(b) The names of the persons receiving the votes and the number received by each, specifying the several counties in which they were cast; (AND)

(c) The number of votes counted for and against each constitutional amendment, specifying the several counties in which they were cast; *and*

(d) *The number of votes counted for and against each initiative or referendum ballot measure.*

If the difference between the votes of a candidate for legislative office who would otherwise be declared elected by the state canvassing board and the votes of any other candidate for that office is 100 or less, the board shall recount the votes. A recount shall not delay any other part of the canvass and the results shall

be 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. A losing candidate may waive the recount required pursuant to this subdivision by filing a written notice of waiver with the canvassing board.

In case of a tie vote for any office, the result of which is to be certified by the state canvassing board, the board shall determine the tie by lot.

Sec. 37. Minnesota Statutes 1978, 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 an amount not to exceed the limits set out in section 210A.22, not subsequently reimbursed,

which have been personally paid by a candidate for public office if the candidate has complied with the expenditure limitations set out in section 210A.22:

(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.

(f) No deduction shall be allowed under this subdivision to a corporation for expenditures to promote or defeat the certification of an initiative or referendum proposal or the passage of an initiative or referendum measure which has qualified for the general election ballot, including a proposal or measure which materially affects the property, business, or assets of a corporation; nor shall a deduction be allowed to a corporation for contributions or payments made to an individual, organization, association, corporation, or committee any part of whose activities include efforts to promote or defeat the certification of an initiative or referendum proposal or the passage of an initiative or referendum measure which has qualified for the general election ballot, including a proposal or measure which materially affects the property, business, or assets of a corporation.

Sec. 38. Minnesota Statutes, 1979 Supplement, Section 290.21, Subdivision 3, is amended to read:

Subd. 3. An amount for contribution or gifts made within the taxable year:

(a) to or for the use of the state of Minnesota, or any of its political subdivisions for exclusively public purposes,

(b) to or for the use of any community chest, corporation, organization, trust, fund, association, or foundation located in and carrying on substantially all of its activities within this state, organized and operating exclusively for religious, charitable, public cemetery, scientific, literary, artistic, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual,

(c) to a fraternal society, order, or association, operating under the lodge system located in and carrying on substantially all of their activities within this state if such contributions or gifts are to be used exclusively for the purposes specified in subdivision 3(b), or for or to posts or organizations of war veterans or auxiliary units or societies of such posts or organizations, if they are within the state and no part of their net income inures to the benefit of any private shareholder or individual, or to an employee stock ownership trust as defined in section 290.01, subdivision 25. Where the beneficiaries of a stock ownership trust include the transferor, his spouse, children, grandchildren, parents, siblings or their children, the amount of the deduction shall be reduced by the product of multiplying said amount by their percentage interest in the trust,

(d) to or for the use of the United States of America for exclusively public purposes, and to or for the use of any community chest, corporation, trust, fund, association, or foundation, organized and operated exclusively for any of the purposes specified in subdivision 3(b) and (c) no part of the net earnings of which inures to the benefit of any private shareholder or individual, but not carrying on substantially all of their activities within this state, in an amount equal to the ratio of Minnesota taxable net income to total net income, provided, however, that for an individual taxpayer, the credit shall be allowed in an amount equal to the ratio of the taxpayer's gross income assignable to Minnesota to the taxpayer's gross income from all sources,

(e) to a political party, as defined in section 200.02, subdivision 7, or a political candidate, as defined in section 210A.01, or a political cause when sponsored by any party or association or committee, as defined in section 210A.01, in a maximum amount not to exceed the following:

(1) contributions made by individual natural persons, \$100,

(2) contributions made by a national committeeman, national committeewoman, state chairman, or state chairwoman of a political party, as defined in section 200.02, subdivision 7, \$1,000,

(3) contributions made by a congressional district committeeman or committeewoman of a political party, as defined in section 200.02, subdivision 7, \$350,

(4) contributions made by a county chairman or a county chairwoman of a political party, as defined in section 200.02, subdivision 7, \$150;

(f) in the case of an individual, the total credit against taxable net income allowable hereunder shall not exceed 30 percent of the taxpayer's Minnesota gross income as follows:

(i) the aggregate of contributions made to organizations specified in (a), (b) and (d) shall not exceed ten percent of the taxpayer's Minnesota gross income,

(ii) the total credits under this subparagraph for any taxable year shall not exceed 20 percent of the taxpayer's Minnesota gross income. For purposes of this subparagraph, the credits under this section shall be computed without regard to any deduction allowed under subparagraph (i) but shall take into account any contributions described in subparagraph (i) which are in excess of the amount allowable as a credit under subparagraph (i);

(g) in the case of a corporation, the total credit against net income hereunder shall not exceed 15 percent of the taxpayer's taxable net income less the credits allowable under this section other than those for contributions or gifts,

Provided that no credit shall be allowed to a corporation for contributions or gifts to any individual, association, corporation, committee, trust, fund, foundation, community chest, fraternal society, or organization for use in efforts to promote or defeat the certification of an initiative or referendum proposal or the passage of an initiative or referendum measure which has qualified for the general election ballot,

(h) in the case of a corporation reporting its taxable income on the accrual basis, if: (A) the board of directors authorizes a charitable contribution during any taxable year, and (B) payment of such contribution is made after the close of such taxable year and on or before the fifteenth day of the third month following the close of such taxable year; then the taxpayer may elect to treat such contribution as paid during such taxable year. The election may be made only at the time of the filing of the return for such taxable year, and shall be signified in such manner as the commissioner shall by regulations prescribe;

(i) in the case of a contribution or property placed in trust as described in section 170(f)(2) of the Internal Revenue Code of 1954, as amended through December 31, 1976, a credit shall be allowed under this subdivision to the extent that a deduction is allowable for federal income tax purposes.

Sec. 39. Minnesota Statutes 1978, Section 645.02, is amended to read:

645.02 [EFFECTIVE DATE AND TIME OF LAWS.] *Subdivision 1.* Each act, except one making appropriations, enacted finally at any session of the legislature takes effect on August 1 next following its final enactment, unless a different date is specified in the act.

Subd. 2. A special law required to be approved by the local government unit affected before it goes into effect becomes effective as to the approving unit the day following the day on which the certificate of approval prescribed by section 645.021, subdivision 1, is filed with the secretary of state, unless a later date is specified in the act. When approval of such a special law is required by two or more local government units before it may become effective, the day after the day when the last of the required certificates is filed is the effective date, unless a later date is specified in the act.

Subd. 3. An appropriation act or an act having appropriation items enacted finally at any session of the legislature takes effect at the beginning of the first day of July next following its final enactment, unless a different date is specified in the act.

Subd. 4. Any initiative or referendum measure adopted by the voters shall be effective on December 31 following the general election at which the initiative or referendum measure is adopted.

Subd. 5. Each (ACT) law takes effect at 12:01 a.m. on the day it becomes effective, unless a different time is specified in the act.

If a constitutional amendment is ratified at an election, the governor shall announce by proclamation that the amendment became effective 12:01 a.m. on the day after the election at which it was approved.

Sec. 40. [APPROPRIATION.] *The sum of \$25,000 is appropriated from the general fund to the secretary of state to carry out her duties under law. This appropriation is available December 1, 1980, if the amendment proposed by section 1 of this article is adopted as provided in the Minnesota Constitution and shall be available until June 30, 1981.*

Sec. 41. [EFFECTIVE DATE.] *Sections 3 to 39 are effective upon ratification of the amendment proposed in section 1 of this article as provided in the Minnesota Constitution and shall expire January 1, 1985.*

ARTICLE II

CONTRIBUTIONS AND EXPENDITURES IN BALLOT QUESTION CAMPAIGNS

Section 1. Minnesota Statutes 1978, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "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, 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 an individual volunteering his time on behalf of a candidate, *ballot question*, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Sec. 2. Minnesota Statutes 1978, Section 10A.01, Subdivision 7a, is amended 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 *or for the purpose of promoting or defeating a ballot question.*

Sec. 3. Minnesota Statutes 1978, Section 10A.01, Subdivision 7b, is amended 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 *or for the purpose of promoting or defeating a ballot question.* Donation in kind includes an approved expenditure.

Sec. 4. Minnesota Statutes 1978, Section 10A.01, Subdivision 10, is amended to read:

Subd. 10. "Campaign expenditure" or "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 nomination or election of a candidate *or for the purpose of promoting or defeating a ballot question.*

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 subdivision 10c;

(b) Transfers as defined in subdivision 7a;

(c) Services provided without compensation by an individual volunteering his time on behalf of a candidate, *ballot question*, political committee, or political fund; or

(d) The publishing or broadcasting of news items or editorial comments by the news media.

Sec. 5. Minnesota Statutes 1978, Section 10A.01, Subdivision 15, is amended to read:

Subd. 15. "Political committee" means any association as defined in subdivision 3 whose major purpose is to influence the nomination or election of a candidate *or to promote or defeat a ballot question*.

"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. 6. Minnesota Statutes 1978, Section 10A.01, Subdivision 16, is amended to read:

Subd. 16. "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 nomination or election of a candidate *or for the purpose of promoting or defeating a ballot question*.

Sec. 7. Minnesota Statutes 1978, Section 10A.01, is amended by adding a subdivision to read:

Subd. 23. "*Ballot question*" means a question or proposition which is placed on the ballot and which may be voted on by all voters of the state. "*Promoting or defeating a ballot question*"

includes activities related to qualifying the question for placement on the ballot.

Sec. 8. Minnesota Statutes 1978, Section 10A.12, Subdivision 1, is amended to read:

10A.12 [POLITICAL FUNDS.] Subdivision 1. 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 approved or independent expenditure or expenditure to promote or defeat a ballot question unless the transfer or expenditure is made from a political fund.

Sec. 9. Minnesota Statutes 1978, 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, 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 or ballot questions, 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, *identification of the ballot question which the expenditure is intended to promote or defeat*, 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) 10A.01, *subdivision 10c* 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. 10. Minnesota Statutes 1978, Section 10A.20, Subdivision 6, is amended to read:

Subd. 6. Every candidate who does not designate and cause to be formed a principal campaign committee, and any individual who makes independent expenditures or expenditures ex-

pressly advocating the approval or defect of a ballot question in aggregate in excess of \$100 in any year, shall file with the board a report containing the information required by subdivision 3. Reports required by this subdivision shall be filed on the dates on which reports by committees and funds are filed.

Sec. 11. Minnesota Statutes 1978, Section 210A.26, Subdivision 3, is amended to read:

Subd. 3. [STATEMENTS OF POLITICAL COMMITTEES.] Statements shall also be made by any political committee showing the total amount of receipts and disbursements, and for what purpose such disbursements were made. Such statement shall be filed within 30 days after any primary, municipal, or general election:

(a) When the committee is organized to support a candidate for a federal office with the filing officer of such candidate;

(b) When the committee is organized to support a candidate for a judicial district or county office with the auditor of the county in which such committee has its headquarters;

(c) (WHEN THE COMMITTEE IS ORGANIZED TO SUPPORT OR OPPOSE ANY CONSTITUTIONAL AMENDMENT WITH THE SECRETARY OF STATE;)

((D)) When the committee is organized to support a candidate for municipal office in municipalities having more than 20,000 population (OR TO SUPPORT OR OPPOSE PROPOSITIONS IN ELECTIONS IN SUCH MUNICIPALITIES) with the filing officer of the municipality.

Sec. 12. Minnesota Statutes 1978, Section 210A.26, is amended by adding a subdivision to read:

Subd. 6. [BALLOT QUESTIONS.] Any individual, political committee, association or corporation that makes any contribution or expenditure to promote or defeat a ballot question shall file reports as required by this subdivision. Reports shall be filed at the times required for filing financial statements under subdivision 1. Reports shall be filed with the official responsible for placing the question on the ballot. Each report shall show the following information, covering the period from the last report to seven days before the filing date:

(a) *The name and address of each committee, individual, or other person to whom aggregate contributions or expenditures in excess of \$100 have been made to promote or defeat a ballot question, together with the amount, date and purpose of the contribution or expenditure;*

(b) *The total amount of contributions and expenditures made to promote or defeat a ballot question; and*

(c) *Identification of the ballot question which the individual, political committee, association or corporation seeks to promote or defeat.*

The secretary of state shall prescribe the form for reports required under this subdivision and may do so without adopting rules pursuant to chapter 15.

For the purpose of this subdivision:

(1) *"Ballot question" means a question or proposition, other than a ballot question as defined in section 10A.01, subdivision 23, which is placed on the ballot and which may be voted on by the voters of one or more political subdivisions of the state; and*

(2) *A contribution or expenditure for activities related to qualifying a question for placement on the ballot is a contribution or expenditure to promote or defeat the ballot question.*

Sec. 13. Minnesota Statutes 1978, Section 210A.34, Subdivision 1, is amended to read:

210A.34 [CORPORATIONS NOT TO CONTRIBUTE TO POLITICAL CAMPAIGN; PERMITTED ACTIVITIES; REPORTS; PENALTIES.] Subdivision 1. It shall be unlawful for any corporation doing business in this state to (PAY OR CONTRIBUTE OR) *make any contribution or to offer, consent or agree to (PAY OR CONTRIBUTE) make any contribution, directly or indirectly, of any money, property, free service of its officers or employees or thing of value to any political party, organization, committee or individual (FOR ANY POLITICAL PURPOSE WHATSOEVER, OR) to promote or defeat the candidacy of any person for nomination, election, or appointment to any political office. For the purpose of this subdivision, "contribution" includes an expenditure to promote or defeat the election or nomination of any candidate to any political office which 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 a candidate, his principal campaign committee or his agent.*

Sec. 14. Minnesota Statutes 1978, Section 210A.34, is amended by adding a subdivision to read:

Subd. 1a. It shall be unlawful for any corporation doing business in this state to make any independent expenditure or to offer, consent or agree to make any independent expenditure to promote or defeat the candidacy of any person for nomination, election or appointment to any political office. For the purpose

of this subdivision, "independent expenditure" means an expenditure which is not made with the authorization or expressed or implied consent of, or in cooperation or concert with, or at the request or suggestion of, a candidate, his principal campaign committee or his agent.

Sec. 15. Minnesota Statutes 1978, Section 210A.34, is amended by adding a subdivision to read:

Subd. 1b. A corporation doing business in this state may make contributions or expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot unless otherwise prohibited by law, or to express its views on issues of public concern. But no such contribution shall be made to any candidate for nomination, election or appointment to a political office or to any committee organized wholly or partly to promote or defeat such a candidate.

Sec. 16. Minnesota Statutes 1978, Section 210A.34, is amended by adding a subdivision to read:

Subd. 1c. Nothing in this section shall be construed to prohibit publication or broadcasting of news items or editorial comments by the news media.

Sec. 17. [EFFECTIVE DATE.] Sections 1 to 16 are effective the day following final enactment.

ARTICLE III

CAMPAIGN FINANCING

Section 1. The following amendment to the Minnesota Constitution, Article VII, is proposed to the people. If the amendment is adopted a new section will be added to read as follows:

Sec. 9. [CAMPAIGN SPENDING LIMITS.] The amount that may be spent by candidates for constitutional and legislative offices to campaign for nomination or election shall be limited by law. The legislature shall provide by law for disclosure of contributions and expenditures made to support or oppose candidates for state elective offices.

Sec. 2. The proposed amendment shall be submitted to the people at the 1980 general election. The question submitted shall be:

"Shall the Minnesota Constitution be amended to require campaign spending limits for candidates for executive and legislative offices and public disclosure of campaign spending for all state candidates?"

Yes.....

No....."

Sec. 3. Minnesota Statutes 1978, Chapter 10A, is amended by adding a section to read:

[10A.255] [ADJUSTMENT BY CONSUMER PRICE INDEX.] *Subdivision 1. The dollar amounts provided in section 10A.25, subdivision 2, shall be adjusted for general election year 1984 and subsequent general election years as provided in this section. By June 1 of the general election year, the executive director of the board shall determine the percentage increase in the consumer price index from April of the last general election year to April of the year in which the determination is made. The dollar amounts used for the preceding general election year shall be multiplied by that percentage. The product of the calculation shall be added to each dollar amount to produce the dollar limitations to be in effect for the next general election. The product shall be rounded up to the next highest whole dollar. The index used shall be the revised consumer price index for all urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States department of labor with 1967 as a base year.*

Subd. 2. The dollar amounts provided in section 10A.25, subdivision 2, shall be adjusted for 1982 in the manner provided in subdivision 1, except that the percentage increase in the consumer price index shall be determined from April of 1974 to April of 1982 and the adjustment shall be calculated by the executive director by June 1, 1982.

Sec. 4. Minnesota Statutes 1978, 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, (1977) 1979, every individual who files a tax return or a renter and homeowner property tax refund return with the commissioner of revenue may designate that (\$1) \$2 shall be paid from the general fund of the state into the state elections campaign fund. If a husband and wife file a joint return, each spouse may designate that (\$1) \$2 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) \$2 shall be paid from the general fund of the state into the state elections campaign fund. No individual shall be allowed to designate (\$1) \$2 more than once in any year.*

Sec. 5. Minnesota Statutes 1978, Section 10A.31, Subdivision 3, is amended to read:

Subd. 3. The commissioner of the department of revenue shall *provide* on the first page of the income tax form and the renter and homeowner property tax refund return (NOTIFY) *a space for* the filing individual and any adult dependent of that individual (OF HIS RIGHT) to *indicate whether or not he wishes to* allocate (\$1) \$2 (((\$2)) \$4 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 individual to direct the state to allocate the (\$1) \$2 (or (\$2) \$4 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) \$2. The renter and (HOWEOWNER) *home-owner* property tax refund return shall include instructions that the individual filing the return may designate (\$1) \$2 on the return only if he has not designated (\$1) \$2 on the income tax return.

Sec. 6. Minnesota Statutes 1978, 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)) (1) 21 percent for the offices of governor and lieutenant governor together;

((B)) (2) 3.6 percent for the office of attorney general;

((C)) (3) 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;

((D)) (4) In each calendar year during the period in which state senators serve a four year term, 23 1/3 percent for the office of state senator and 46 2/3 percent for the office of state representative;

((E)) (5) 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;

((F)) (6) 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) Money from (ANY) a party account not distributed to candidates for state senator and representative in any

election year shall be returned to the general fund of the state. *Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) of this subdivision in the following year. 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.*

Sec. 7. Minnesota Statutes 1978, 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) the office of state senator or representative at a general election, the moneys set aside for that office shall be returned to the general fund of the state. If that party does not have a candidate for any other office at a general election the money set aside for that office shall be returned to the general account of the state elections campaign fund for reallocation to candidates as provided in section 10A.31, subdivision 5, clauses (1) to (6).*

Sec. 8. [10A.316] *Minnesota Statutes 1978, Sections 10A.-25, Subdivisions 2, 3, 4, 5, 6, 7 and 10; 10A.28, Subdivision 1; and 10A.32, Subdivisions 3 and 3b, as amended as of the effective date of this section, are repealed. Notwithstanding any law to the contrary, the tax credit provided in Minnesota Statutes, Section 290.06, Subdivision 11, may be allowed for contributions to any candidate as defined in Minnesota Statutes, Section 10A.-01, Subdivision 5, without any agreement by the candidate to limit his campaign expenditures.*

Sec. 9. [EFFECTIVE DATE.] *Subdivision 1. Sections 3 to 7 are effective upon ratification of the amendment to the Minnesota Constitution proposed in section 1 of this article as provided in the constitution.*

Subd. 2. Section 8 is effective December 31, 1981 if the amendment to the Minnesota Constitution proposed in section 1 of this article is not ratified, as provided by the constitution."

Delete the title and insert:

"A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, Article IV, by adding sections, to provide for initiative and referendum; proposing an amendment to the Minnesota Constitution, Article VII, by adding a section, to require certain election campaign expenditures to be limited and disclosed by law; implementing the initiative and referendum process, including the manner of petitioning and voting on initiative and referendum measures and judicial

review; permitting corporations to spend money to promote or defeat ballot questions; requiring disclosure of contributions and expenditures on ballot questions; increasing the campaign spending limits and the income tax check-off or repealing spending limits contingent on adoption or rejection of a constitutional amendment; imposing duties on certain officials; providing penalties; appropriating money; amending Minnesota Statutes 1978, Sections 10A.01, Subdivisions 7, 7a, 7b, 10, 15, 16, and by adding a subdivision; 10A.12, Subdivision 1; 10A.20, Subdivisions 3, 6 and by adding a subdivision; 10A.31, Subdivisions 1, 3 and 5; 10A.32, subdivision 4; 203A.31, Subdivisions 2 and 3; 204A.24; 204A.40, Subdivision 2; 210A.26, Subdivision 3 and by adding a subdivision; 210A.34, Subdivision 1 and by adding subdivisions; 290.09, Subdivision 2; 645.02; Chapter 10A, by adding a section; and Minnesota Statutes, 1979 Supplement, Sections 204A.53, Subdivision 3; and 290.21, Subdivision 3; repealing Minnesota Statutes 1978, Section 10A.25, Subdivisions 2 to 7 and 10; 10A.28, Subdivision 1; and 10A.32, Subdivisions 3 and 3b."

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

House Conferees: MICHAEL R. SIEBEN, JAMES C. PEHLER and RAYMOND J. KEMPE.

Senate Conferees: BILL MCCUTCHEON and NICHOLAS D. COLEMAN.

Sieben, H., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Pehler moved that the report of the Conference Committee on H. F. No. 2304 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2304, A bill for an act relating to initiative; proposing an amendment to the Minnesota Constitution, Article VII by adding a section; authorizing initiative on laws; providing a statute implementing the amendment; providing for the manner of petitioning and voting on initiative measures; providing for disclosure of campaign costs on ballot issues; providing that expenditures to promote or defeat a measure may not be taken as a deduction or credit against income taxes; providing for judicial review; providing penalties; amending Minnesota Statutes 1978, Sections 10A.01, Subdivision 15; 10A.20, by adding a subdivision; 203A.31, Subdivisions 2 and 3; 204A.24; 204A.40, Subdivision 2; 204A.53, Subdivision 3; 290.09, Subdivision 2; 290.21, Subdivision 3; and 645.02.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called.

Sieben, H., moved that those not voting be excused from voting. The motion prevailed.

There were 86 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Knickerbocker	Nysether	Stowell
Ainley	Fjoslien	Kostohryz	Olsen	Sviggum
Albrecht	Forsythe	Kvam	Onnen	Swanson
Anderson, B.	Friedrich	Lehto	Pehler	Thiede
Anderson, D.	Fritz	Levi	Peterson, B.	Tomlinson
Anderson, R.	Halberg	Ludeman	Piepho	Valan
Berkelman	Haukoos	Luknic	Redalen	Valento
Biersdorf	Heap	Mann	Reding	Waldorf
Blatz	Heinitz	McCarron	Rees	Weaver
Clawson	Hoberg	McDonald	Reif	Welch
Crandall	Hokanson	McEachern	Rothenberg	Welker
Dean	Jennings	Mehrkens	Sarna	Wenzel
Dempsey	Johnson, C.	Metzen	Schreiber	Wigley
Den Ouden	Johnson, D.	Nelsen, B.	Searles	Zubay
Drew	Jude	Nelsen, M.	Sherwood	
Erickson	Kaley	Niehaus	Sieben, H.	
Esau	Kelly	Norman	Sieben, M.	
Evans	Kempe	Novak	Stadum	

Those who voted in the negative were:

Adams	Casserly	Jaros	Nelson	Simoneau
Anderson, G.	Clark	Kahn	Osthoff	Stoa
Anderson, I.	Corbid	Kalis	Otis	Vanasek
Battaglia	Eken	Kroening	Patton	Voss
Begich	Elioff	Laidig	Peterson, D.	Wieser
Berghin	Ellingson	Long	Pleasant	Wynia
Brinkman	Faricy	Minne	Prahl	Spkr. Norton
Byrne	Fudro	Moe	Rice	
Carlson, D.	Greenfield	Munger	Rodriguez	
Carlson, L.	Jacobs	Murphy	Rose	

The bill was repassed, as amended by Conference, and its title agreed to.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2476, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; imposing conditions on the expenditure of public money; creating, abolishing, modifying, and transferring agencies and functions; fixing and limiting fees; altering conditions of public employment; authorizing purchase, sale, and transfer of public lands; authorizing certain public improvements of a capital nature; requiring studies and reports; limiting liability in certain civil actions; exempting certain motor vehicle sales transactions from regulation by the banking commissioner; regulating drainage systems in the metropolitan area; regulating administration of the Nine Mile Creek Watershed District, the Riley-Purgatory Creek Watershed District and the Red Lake Watershed District; authorizing an ad valorem tax for certain purposes; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 10A.01, Subdivision 10c; 11.15, Subdivision 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivisions 1 and 2; 16.02, Subdivision 10; 16.354, Subdivision 1; 16A.131; 16A.67, Subdivision 1; 16A.721; 43.05, Subdivision 2; 43.062, Subdivisions 1 and 2; 43.065; 43.067, Subdivision 2; 43.068; 43.09, Subdivision 2a; 43.323, Subdivision 1; 43.324, Subdivision 2; 43.35; 62D.12, by adding a subdivision; 82.34; 90.195; 94.10, Subdivision 1; 94.16; 97.431; 97.432; 106.471, by adding a subdivision; 116C.63, Subdivision 4; 116D.04, by adding a subdivision; 136.81, Subdivision 1; 145.913, Subdivision 3; 155.14; 168.66, Subdivision 4; 174.03, by adding a subdivision; 197.75, Subdivision 1; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 238.08, by adding a subdivision; 245.814; 246.014; 256.73, Subdivision 2; 256D.06, by adding a subdivision; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 401.02, Subdivision 3; 403.11, Subdivision 3; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; 473.408, Subdivision 3; 473.435; 473.641, by adding a subdivision; 490.123, Subdivision 1; Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 112, by adding a section; 138, by adding a section; 152, by adding a section; 216A, by adding a section; 246, by adding a section; 253, by adding a section; 256, by adding a section; 259, by adding a section; 326, by adding a section; 544, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.005, Subdivision 4; 15A.083, Subdivision 4; 16A.126; 43.062, Subdivision 3; 43.15, Subdivision 1; 43.24; 82.21, Subdivision 1; 174.28, Subdivision 2; 180.03, Subdivision 2; 299D.03, Subdivision 2; 354A.12, Subdivision 2; 422A.101, Subdivision 3; 465.72; Laws 1959, Chapter 690, Section 2, as amended; and Laws 1979, Chapter 332, Article I, Section 115, Subdivision 2; repealing Minne-

sota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.965 and 43.067, Subdivision 4; Laws 1977, Chapter 454, Section 45; Laws 1979, Chapter 217, Section 11; and a law enacted at the 1980 regular session styled as H. F. No. 1121, Article XIII, Section 1; reenacting Minnesota Statutes, 1979 Supplement, Section 473.446, Subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1550.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1550, A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Section 3; removing the requirement that notaries public be approved by the senate; amending Minnesota Statutes 1978, Section 359.01.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Voss moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1550 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Voss moved that the rules of the House be so far suspended that S. F. No. 1550 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1550 was read for the second time.

S. F. No. 1550, A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Section 3; removing the requirement that notaries public be approved by the senate; amending Minnesota Statutes 1978, Section 359.01.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Niehaus	Sieben, H.
Adams	Eken	Kaley	Norman	Sieben, M.
Ainley	Elihoff	Kalis	Novak	Simoneau
Albrecht	Ellingson	Kelly	Nysether	Stadum
Anderson, B.	Erickson	Kempe	Olsen	Stoa
Anderson, D.	Esau	Kostohryz	Onnen	Stowell
Anderson, G.	Evans	Kroening	Osthoff	Sviggum
Anderson, I.	Ewald	Kvam	Otis	Swanson
Anderson, R.	Farcy	Laidig	Patton	Thiede
Battaglia	Fjoslien	Lehto	Pehler	Tomlinson
Begich	Forsythe	Levi	Peterson, B.	Valan
Berglin	Friedrich	Long	Peterson, D.	Valento
Berkelman	Fritz	Ludeman	Piepho	Vanasek
Biersdorf	Fudro	Luknic	Prahl	Voss
Blatz	Greenfield	Mann	Redalen	Waldorf
Brinkman	Halberg	McCarron	Reding	Weaver
Byrne	Haukoos	McDonald	Rees	Welch
Carlson, D.	Heap	McEachern	Reif	Welker
Carlson, L.	Heinitz	Mehrkens	Rice	Wenzel
Casserly	Hoberg	Metzen	Rodriguez	Wieser
Clark	Hokanson	Minne	Rose	Wigley
Clawson	Jacobs	Moe	Rothenberg	Wynia
Corbid	Jaros	Munger	Sarna	Zubay
Crandall	Jennings	Murphy	Schreiber	Sprk. Norton
Dean	Johnson, C.	Nelsen, B.	Searle	
Dempsey	Johnson, D.	Nelsen, M.	Searles	
Den Ouden	Jude	Nelson	Sherwood	

Those who voted in the negative were:

Knickerbocker Pleasant

The bill was passed and its title agreed to.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 10:00 a.m., Saturday, April 12, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Saturday, April 12, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

NINETY-NINTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, APRIL 12, 1980

The House of Representatives convened at 10:00 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Den Ouden	Johnson, D.	Nelsen, B.	Searle
Adams	Drew	Jude	Nelsen, M.	Searles
Ainley	Eken	Kahn	Niehaus	Sherwood
Albrecht	Elioff	Kaley	Norman	Sieben, H.
Anderson, B.	Ellingson	Kalis	Novak	Sieben, M.
Anderson, D.	Erickson	Kelly	Nysether	Simoneau
Anderson, G.	Esau	Knickerbocker	Olsen	Stadum
Anderson, I.	Evans	Kostohryz	Onnen	Stoa
Anderson, R.	Ewald	Kroening	Osthoff	Stowell
Battaglia	Faricy	Kvam	Otis	Sviggum
Begich	Fjoslien	Laidig	Patton	Swanson
Berglin	Forsythe	Lehto	Pehler	Thiede
Berkelman	Friedrich	Levi	Peterson, B.	Tomlinson
Biersdorf	Fritz	Long	Peterson, D.	Valan
Blatz	Fudro	Ludeman	Piepho	Valento
Brinkman	Greenfield	Luknic	Pleasant	Vanasek
Byrne	Halberg	Mann	Prahl	Voss
Carlson, D.	Haukoos	McCarron	Reding	Waldorf
Carlson, L.	Heap	McDonald	Rees	Weaver
Cassery	Heinitz	McEachern	Reif	Welch
Clark	Hoberg	Mehrkens	Rice	Welker
Clawson	Hokanson	Metzen	Rodriguez	Wenzel
Corbid	Jacobs	Minne	Rose	Wynia
Crandall	Jaros	Moe	Rothenberg	Spkr. Norton
Dean	Jennings	Munger	Sarna	
Dempsey	Johnson, C.	Murphy	Schreiber	

A quorum was present.

Kempe, Nelson, Redalen, Wieser, Wigley and Zubay were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Niehaus moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. No. 2419 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 11, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 2353, relating to water resources, continuing the water planning board; changing its membership and duties; appropriating money;

H. F. No. 1513, relating to environment; regulating activities of drillers of exploratory borings; specifying the powers and duties of public officers and agencies; providing penalties;

H. F. No. 1603, relating to welfare; clarifying certain provisions of the general assistance medical care program; establishing an earned income disregard work incentive in the general assistance program; making various other changes in the general assistance program; appropriating money;

H. F. No. 1763, relating to education; increasing the bonding authority of the higher education coordinating board;

H. F. No. 1823, relating to transportation; permitting informational notations on recorded maps and plats; simplifying correction of errors on them;

H. F. No. 1878, relating to no-fault automobile insurance; coordinating benefits with medicare and workers' compensation; extending eligibility for the assigned claims plan; eliminating certain mandatory offers;

H. F. No. 1899, relating to the office of secretary of state; adjusting certain fees collected by that office; making them more uniform;

H. F. No. 1942, relating to public welfare; requiring reporting of abuse or neglect of vulnerable adults; requiring certain facilities to establish abuse prevention plans; establishing a penalty; appropriating money;

H. F. No. 1956, relating to real estate; providing for a state land registration assurance fund; combining the tax forfeited land assurance account with the land registration assurance fund; eliminating separate county assurance funds; empowering the commissioner of banks to clear certain title defects involving a defunct state agency; appropriating money;

H. F. No. 1981, relating to crimes; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; providing that the status of marriage or an ongoing voluntary sexual relationship of cohabiting adults shall not be a defense to most prosecution for criminal sexual conduct;

H. F. No. 2019, relating to education; the maximum effort school aid law; changing the definition of "maximum effort debt service levy"; authorizing the sale of bonds for the maximum effort school loan fund; appropriating money;

H. F. No. 2045, relating to economic development; creating a small business finance agency with authority to issue and sell tax exempt obligations to provide loans for small business and pollution control projects; requiring reports.

H. F. No. 2289, proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing certain restrictions on highway bonds.

H. F. No. 160, relating to welfare; changing income disregard provisions for certain medical assistance recipients and certain supplemental aid recipients; appropriating money;

H. F. No. 251, relating to local government; permitting self insurance of health benefits; authorizing joint self insurance;

H. F. No. 262, relating to local government; permitting self insurance for local governments; authorizing insurance pooling; appropriating money;

H. F. No. 902, relating to pollution; establishing noise limits for motorboats; appropriating money;

H. F. No. 1012, relating to housing; prohibiting unfair treatment in housing and real property on the basis of familial status; providing for restrictions on eviction on the basis of familial status; appropriating money;

H. F. No. 1138, relating to local government; authorizing the establishment of local government official training programs; appropriating money;

H. F. No. 1190, relating to transportation; requiring the consent of municipalities for certain trunk highway improvements; authorizing the commissioner of transportation to convey or otherwise dispose of certain lands no longer needed for trunk highway purposes; authorizing the commissioner to lease air-space above and subsurface areas below trunk highway right-of-way; adding new routes to the trunk highway system, and adding new routes in substitution of existing routes; discontinuing and removing Route No. 327 from the trunk highway system; permitting certain equipment to use crossovers between the main line roadways of controlled access highways when operating within a marked construction zone; modifying the availability of federal reimbursements deposited in the state treasury and appropriated to the federal-state safety account; prohibiting depositing snow or ice on a highway; excluding minor relocations of pipelines caused by highway construction from the definition of construction; modifying the procedures for approval of plats which include lands abutting trunk highways;

H. F. No. 1443, relating to transportation; providing for a transportation board; providing for transfer of certain duties, powers and functions of 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;

H. F. No. 2035, relating to historic sites and monuments; adding property to Split Rock Lighthouse historic site; reestablishing Traverse des Sioux historic site as a state monument; authorizing a memorial to Minnesota's war dead in Arlington National Cemetery; memorializing Congress to pass H. R. 1918, a service pension for veterans of World War One and their surviving spouses; appropriating funds;

H. F. No. 1895, relating to human rights; defining an unfair employment practice; further defining certain unfair discriminatory practices related to reprisals; defining the scope of a class for class action suits; increasing a penalty by increasing allowable punitive damages;

Sincerely yours,

ALBERT H. QUIE
Governor

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Kempe introduced:

H. F. No. 2502, A bill for an act relating to taxes; proposing an amendment to the Minnesota Constitution, Article X, adding a section; requiring a two-thirds vote for local government budgets.

The bill was read for the first time and referred to the Committee on Taxes.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 874, A bill for an act relating to state government; changing certain administrative procedures; providing for the compilation of agency rules and their publication by the revisor of statutes; amending Minnesota Statutes 1978, Sections 3.965; 15.0412, Subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1, 2 and 4; 15.0422; 15.0424, Subdivisions 1, 2 and 6; 15.0425; 15.0426; 15.047, Subdivision 2; 15.05; 15.051, Subdivisions 1, 2 and 3; 15.052, Subdivisions 1, 2, 3, 4, 5, 7, 8 and 9; 15.1691, Subdivision 3; 179.71, Subdivision 5; 179.72, Subdivision 3; 268.-12, Subdivision 3; 299A.03, Subdivision 8; 648.31, by adding a subdivision; 648.43; and Minnesota Statutes, 1979 Supplement, Section 15.0411, Subdivision 2; and Chapter 648, by adding a section; repealing Minnesota Statutes 1978, Sections 5.21, 15.-0423; and 15.047.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2304, A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, Article IV, by adding sections, to provide for initiative and referendum; proposing an amendment to the Minnesota Constitution, Article VII, by adding a section, to require certain election campaign expenditures to be limited and disclosed by law; implementing the initiative and referendum process, including the manner of petitioning and voting on initiative and referendum measures and judicial review; permitting corporations to spend money to promote or defeat ballot questions; requiring disclosure of contributions and expenditures on ballot questions; increasing the campaign spending limits and the income tax check-off or repealing spending limits contingent on adoption or rejection of a constitutional amendment; imposing duties on certain officials; providing penalties; appropriating money; amending Minnesota Statutes 1978, Sections 10A.01, Subdivisions 7, 7a, 7b, 10, 15, 16, and by adding a subdivision; 10A.12, Subdivision 1; 10A.20, Subdivisions 3, 6 and by adding a subdivision; 10A.31, Subdivisions 1, 3 and 5; 10A.32, Subdivision 4; 203A.31, Subdivisions 2 and 3; 204A.24; 204A.40, Subdivision 2; 204A.53, Subdivision 3; 210A.26, Subdivision 3 and by adding a subdivision; 210A.34, Subdivision 1 and by adding subdivisions; 290.09, Subdivision 2; 645.02; Chapter 10A, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 290.21, Subdivision 3.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 14, A Concurrent Resolution relating to the delivery of bills to the governor after final adjournment.

PATRICK E. FLAHAVEN, Secretary of the Senate

SUSPENSION OF RULES

Eken moved that the Rules be so far suspended that Senate Concurrent Resolution No. 14 be now considered and be placed upon its adoption. The motion prevailed.

SENATE CONCURRENT RESOLUTION NO. 14

A Senate Concurrent Resolution relating to the delivery of bills to the governor after final adjournment.

Whereas, the Minnesota Constitution, Article IV, Section 23, provides for the presentation of some bills to the Governor after sine die adjournment; *NOW, THEREFORE,*

Be It Resolved, by the House of Representatives of the State of Minnesota, the Senate concurring, that on adjournment sine die of the 71st regular session of the Legislature, bills shall be presented to the Governor as follows:

(a) The Speaker of the House of Representatives, the Chief Clerk of the House of Representatives, the President of the Senate, and the Secretary of the Senate shall certify and sign each bill in the same manner and upon the same certification as each bill is signed for presentation to the Governor prior to adjournment sine die, and each of those officers shall continue in his designated capacity during the three days following the date of final adjournment;

(b) The Chief Clerk of the House of Representatives and the Secretary of the Senate, in accordance with the rules of the respective bodies and under the supervision and direction of the standing Committee on Rules and Legislative Administration and the standing Committee on Rules and Administration, shall carefully enroll each bill and present them to the Governor in the same manner as each bill is enrolled and presented to the Governor prior to the adjournment of the Legislature sine die;

(c) The Revisor of Statutes shall continue to assist in all of the functions relating to the enrollment of bills of the House of Representatives and of the Senate under the supervision of the Chief Clerk of the House of Representatives and the Secretary of the Senate in the same manner that his assistance was rendered prior to the adjournment of the Legislature sine die.

Be It Further Resolved, that the Secretary of the Senate deliver a copy of this Resolution to the Governor and the Secretary of State.

Eken moved that Senate Concurrent Resolution No. 14 be now adopted. The motion prevailed and the resolution was adopted.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1873, A bill for an act relating to local government in Ramsey county; providing for the membership and dues of

the Ramsey county league of local governments; amending Laws 1963, Chapter 728, Section 1, as amended.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kostohryz moved that the House concur in the Senate amendments to H. F. No. 1873 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1873, A bill for an act relating to local government; regulating zoning of certain facilities; authorizing certain actions by the city of Saint Paul; setting conditions of employment for certain Washington county employees; providing for the membership and dues of the Ramsey county league of local governments; amending Minnesota Statutes 1978, Sections 245.812, Subdivision 2; and 252.28, Subdivision 3; and Laws 1959, Chapter 690, Section 2, as amended; and Laws 1963, Chapter 728, Section 1, as amended.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 71 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Adams	Clawson	Kalis	Murphy	Sieben, H.
Anderson, B.	Corbid	Kelly	Nelsen, B.	Sieben, M.
Anderson, D.	Eken	Knickerbocker	Nelsen, M.	Simoneau
Anderson, G.	Eloff	Kostohryz	Novak	Stoa
Anderson, I.	Ellingson	Kroening	Osthoff	Swanson
Battaglia	Ewald	Laidig	Otis	Vanasek
Begich	Faricy	Lehto	Patton	Voss
Berglin	Fudro	Long	Pehler	Welch
Berkelman	Greenfield	Mann	Peterson, D.	Wenzel
Biersdorf	Heap	McCarron	Prahl	Wynia
Brinkman	Jacobs	McEachern	Reding	Spkr. Norton
Byrne	Jaros	Metzen	Reif	
Carlson, L.	Johnson, C.	Minne	Rice	
Casserly	Jude	Moe	Rodriguez	
Clark	Kahn	Munger	Sarna	

Those who voted in the negative were:

Aasness	Erickson	Jennings	Olsen	Stadum
Ainley	Esau	Johnson, D.	Onnen	Stowell
Albrecht	Fjoslien	Kaley	Peterson, B.	Sviggum
Blatz	Forsythe	Ludeman	Piepho	Thiede
Carlson, D.	Friedrich	Luknic	Pleasant	Valan
Crändall	Fritz	McDonald	Rose	Valento
Dean	Halberg	Mehrkens	Rothenberg	Waldorf
Dempsey	Haukoos	Niehaus	Schreiber	Weaver
Den Ouden	Heinitz	Norman	Searle	Welker
Drew	Hoberg	Nysether	Sherwood	

The bill was repassed, as amended by the Senate, and its title agreed to.

REPORTS FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

Be It Resolved, that the House of Representatives retain those parts of parking lots B, C, D, and E, during the period of time between adjournment sine die in 1980 and convening of the House of Representatives in 1981, which are necessary for use of members and employees of the House of Representatives.

The motion prevailed and the report was adopted.

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

Be It Resolved, that the Chief Clerk of the House of Representatives be authorized and hereby is directed to correct and approve the Journal of the House for the last day of the 71st Regular Session.

Be It Further Resolved, that the Chief Clerk of the House of Representatives be and hereby is authorized to include in the Journal of the House for the last day of the 71st Regular Session any subsequent proceedings and any appointments to legislative interim committees or commissions created by legislative action or by law.

The motion prevailed and the report was adopted.

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

Be It Resolved, that the Chief Clerk of the House of Representatives be and hereby is instructed that during the period of time between adjournment sine die in 1980 and convening of the House of Representatives in 1981, the House Chamber, House Retiring Room, House Hearing and Conference Rooms, House Offices, and the Chief Clerk's Offices, shall be left in their present status and reserved for use by the House of Representatives, Legislative Interim Committees, House Standing Committees and Subcommittees, and to such other use as the Speaker of the House may deem necessary. The House Chamber and House Retiring Room shall be available for the annual meeting of the Territorial Pioneers; and the House Chamber, House Retiring Room and the unused Hearing Rooms shall be

available annually to the Hi-Y Model Legislature and Girls' State, provided these organizations confirm dates with the Speaker of the House at least 30 days in advance.

Be It Further Resolved, that the Custodian of the State Capitol shall be instructed that the corridors and rotunda are to be kept clear of all furniture and that all legislative furniture is to remain in the legislative rooms.

The motion prevailed and the report was adopted.

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

Be It Resolved, that the Committee on Rules and Legislative Administration be and hereby is assigned, during the interim following adjournment sine die in 1980, all functions within its usual jurisdiction.

Be It Further Resolved, that the Committee on Rules and Legislative Administration shall contract for necessary printing of the House of Representatives for the 72nd Regular Session and any extra sessions held prior to the 73rd Regular Session.

The motion prevailed and the report was adopted.

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

Be It Resolved, that a Committee of five members be appointed by the Speaker to advise the Senate that the House of Representatives is about to adjourn sine die and to ascertain if there is any business pending.

The motion prevailed and the report was adopted.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Committee to notify the Senate that the House is about to adjourn sine die:

Fudro, Pleasant, Prael, Corbid and Patton.

MOTIONS AND RESOLUTIONS

Halberg moved that the name of Berkelman be added as an author on H. F. No. 2495. The motion prevailed.

Begich moved that the name of Anderson, G., be added as an author on H. F. No. 2492. The motion prevailed.

McDonald moved that the name of Blatz be added as an author on H. F. No. 2500. The motion prevailed.

Long moved that H. F. No. 2473 be returned to its author. The motion prevailed.

Clawson moved that the following statement be printed in the Journal for today:

"At the time the vote was taken on the adoption of the conference committee report on H. F. No. 1121 I was off the floor in conference on another bill. Had I been present I would have voted in the affirmative." The motion prevailed.

Luknic introduced:

House Resolution No. 51, A house resolution relating to extending congratulations and best wishes to Scott Gillen.

The resolution was referred to the Committee on Rules and Legislative Administration.

MOTION TO ADJOURN SINE DIE

Sieben, H., moved that the House adjourn sine die. The motion prevailed, and the Speaker declared the House adjourned sine die.

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED
SUBSEQUENT TO ADJOURNMENT SINE DIE

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 14, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 729, relating to public welfare; increasing personal needs allowance for residents of certain facilities; restricting the use of allowances by third parties; providing for a civil action and damages; providing a penalty; appropriating money;

H. F. No. 870, relating to education; requiring that certain schools provide a prospective student with a school catalog before accepting the student; providing in certain cases for tuition refunds from private business, trade, and correspondence schools that do not use written contracts; providing for certain exemptions under the private business, trade and correspondence school act;

H. F. No. 1534, relating to real estate; increasing certain fees charged by the county recorder and registrar of titles; providing that the county recorder be notified of deferred assessments;

H. F. No. 1727, relating to family; providing that natural parents may obtain a copy of an adopted child's original birth certificate; authorizing a multi-purpose declaration of parentage; providing counsel for certain minor parents; allowing parents ten days to revoke consent to adoption; providing a pre-adoption residency of three months; changing certain procedures and criteria for termination of parental rights;

H. F. No. 1838, relating to taxation; real property; providing for the assessment of neighborhood real estate trusts; clarifying the treatment of cooperatives and charitable corporations; allowing lending institutions and original sellers to qualify as tenant-stockholders of cooperative apartment corporations;

H. F. No. 1995, relating to health care; excluding coverage of certain services in the Comprehensive Health Insurance Plan; qualifying certain services covered by the Catastrophic Health Expense Protection program; repealing certain provisions;

H. F. No. 2023, relating to waste management; establishing a waste management board and a legislative commission; establishing a state government resource recovery program; establishing solid waste planning assistance and demonstration programs; providing for the issuance of state waste management bonds; providing for the establishment of solid waste management districts; requiring solid and hazardous waste management planning and development; establishing state and metropolitan procedures for the review and approval of permits for waste facilities; providing that certain solid waste disposal facilities are not exempt from real property taxes; authorizing the acquisition of property by purchase and eminent domain; authorizing debt; appropriating money.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 15, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1201, relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; altering certain safety requirements; providing an outline for distributing water safety enforcement funds;

H. F. No. 1435, relating to health; exempting out of state physicians from licensing regulations under certain conditions; abolishing the hospital administrator registration program;

H. F. No. 1612, relating to metropolitan government; providing for metropolitan area agricultural preserves; providing

for municipal planning; authorizing regulation of subdivisions; providing a penalty; appropriating money;

H. F. No. 1662, relating to state government; providing for a demonstration job-sharing project in state government; appropriating money;

H. F. No. 1710, relating to energy; establishing a legislative commission on energy; stating energy policy; broadening the scope of state weatherization programs; creating a state emergency residential heating program; expanding energy awareness programs; creating a Minnesota biomass center; providing for an ethanol demonstration plant; providing grants and assistance for community energy planning; expanding consumer representation in certain energy hearings; regulating delinquency charges on customer or subscriber accounts; providing guidelines for a state plan for spending federal money; reimbursing counties for emergency energy assistance expenses; providing education on building energy efficiency; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money;

H. F. No. 1818, relating to game and fish; excluding bears from the definition of fur bearing animals; providing that a portion of deer license fees shall be used for the purpose of deer habitat improvement; requiring licenses of persons providing guide services for bear hunters; specifying fees; requiring tagging of bears taken in the state; removing certain restrictions on the trapping of beaver; providing for free fishing licenses for certain mentally retarded and disabled residents; authorizing moose seasons at the discretion of the commissioner; granting landowners preference for moose licenses; extending the muskrat trapping season; changing the times of day during which certain wild animals may be taken; regulating bear baiting; allowing sale of bear hides and claws; altering the end date of certain fishing seasons;

H. F. No. 1847, relating to public welfare; providing for a study of revisions to the nursing home rate reimbursement formula; providing for an information retrieval system; providing for nursing home dental health programs; requiring result-oriented treatment programs and counsel guardians for persons committed to hospitals; requiring the commissioner to collect and prepare statistical data; appropriating money;

H. F. No. 1896, relating to juveniles and corrections; modifying dispositions available to juvenile court judges; increasing civil liability of parents for intentional acts of their children; modifying statutory provisions relating to records of adjudications of delinquency; making the rules of evidence applicable in certain juvenile proceedings; modifying procedures in juvenile court, providing for informed consent by juveniles to waiver of rights; providing for the promulgation of statewide juvenile

court rules; modifying the jurisdiction of the juvenile courts; modifying the provisions for reference of juveniles for adult prosecution; expanding the coverage of the provisions requiring preparation of a case plan for children placed in foster care; providing for maximum capacities for group homes; authorizing juvenile court referees in the second and fourth judicial districts to hear contested trials, hearings, or motions unless objection is made;

H. F. No. 2187, relating to local government; authorizing conveyance of certain parcels of land in the city of Brooklyn Center; permitting the acquisition and financing of data processing equipment by Local Government Information Systems and its members; providing for sewer charges by the city of Brooklyn Center on an equitable basis.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 16, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 2090, relating to intoxicating liquor; setting a maximum fee for on-sale licenses for veterans organizations and fraternal clubs; validating the issuance of a Sunday on-sale intoxicating liquor license in Lake County; authorizing combination on-sale and off-sale intoxicating liquor licenses in Aitkin County.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 22, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 2304, relating to elections; proposing an amendment to the Minnesota Constitution, Article IV, by adding sections, to provide for initiative and referendum; proposing an amendment to the Minnesota Constitution, Article VII, by adding a section, to require certain election campaign expenditures to be limited and disclosed by law; implementing the initiative and referendum process, including the manner of petitioning and voting on initiative and referendum measures and judicial review; permitting corporations to spend money to promote or defeat ballot questions; requiring disclosure of contributions and expenditures on ballot questions; increasing the campaign spending limits and the income tax check-off or repealing spending limits contingent on adoption or rejection of a constitutional amendment; imposing duties on certain officials; providing penalties; appropriating money.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 23, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1095, relating to courts; providing for venue for child custody proceedings; authorizing the appointment of a law clerk for each district court judge in the tenth judicial district; authorizing certain actions against state officers to be tried in a county other than where the cause of action arose; providing for procedure for removal; providing penalties;

H. F. No. 2302, relating to financial institutions; requiring all checks and drafts drawn on certain accounts to clearly display the month and year the account was opened; specifying exclusions; providing a penalty;

H. F. No. 644, relating to licensed occupations; allowing the board of dentistry by rule to prohibit applicants for certain dental licenses who fail a clinical examination twice from further taking the examination without additional education and training specified by the board in the rule; requiring licensed dentists, dental hygienists and registered dental assistants to inform the board of dentistry when changing addresses; setting standards for the names under which dentists may practice; requiring the issuance of temporary licenses to certain qualified persons to act as insurance agents; extending the temporary joint underwriting association act for an additional two year period; extending the termination date of certain insurance policies; providing for rules on advertising by licensed professionals; establishing penalties;

H. F. No. 2040, relating to privacy; providing for collection and dissemination of government data; classifying data as private, confidential, nonpublic or public;

H. F. No. 1302, relating to commerce; permitting banks, trust companies and mutual savings banks to take junior liens under certain circumstances; requiring availability of bank ownership information; requiring the commissioner of banks to report on federal usury preemption; providing a federal preemption override; establishing certain time price differentials on retail installment sales of mobile homes; exempting certain insurance contracts, employee benefits and rights of action from garnishment or attachment;

H. F. No. 2268, relating to financial institutions; authorizing examinations of certain bank holding companies; providing for the institution of cease and desist proceedings and the issuance of temporary orders; requiring commissioner to report on federal usury preemption;

H. F. No. 1731, relating to labor; regulating certain steam engines and boilers and steam engine and boiler operators.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 23, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1047, relating to county and county regional jails; providing for establishment and use of county jails and county regional jails and the financing thereof by county contributions and bonds and municipal revenue bonds and leases;

H. F. No. 1453, relating to retirement; changing the provisions governing and the coverage of various state and local public employee retirement plans; authorizing the payment of severance pay to retiring employees;

H. F. No. 1816, relating to local correctional facilities; updating provisions concerning county jails, city lockups and work-houses; clarifying provisions penalizing the possession of contraband in local correctional facilities; repealing provisions concerning correctional or work farms;

H. F. No. 2429, relating to financial institutions; granting certain lending powers to savings associations and savings and loan associations; providing for interest rates on certain installment loans; changing the penalty for usurious loans made by banks, savings banks, savings associations, credit unions and certain other lenders.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 23, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1121, relating to the operation and financing of state and local government; adopting certain federal income tax changes; allowing a subtraction of certain interest and dividend income; increasing the pension exclusion; adopting technical and conforming amendments to income tax and property tax refund provisions; providing an income tax credit for contributions to candidates for federal offices; providing a definition of "quadriplegic"; increasing low income credit amounts, eliminating indexing of that credit, and allowing it to be taken as an alternative tax; modifying provisions of the renewable energy source credit; authorizing deduction of certain interest; increasing the dependent care credit; allowing involuntary conversion treatment of divestitures required by the F.C.C.; authorizing a non-game wildlife income tax refund checkoff; providing for treatment of small business corporations; providing for taxation of mobile homes; increasing the state share of certain income maintenance payments; providing for taxation of airport concessions; eliminating certain property tax exemptions; adjusting property tax classifications and assessment ratios; increasing the homestead credit; allowing homestead of surviving spouse to retain 3cc classification; adjusting levy limitations; requiring study of agricultural land valuations; modifying the administration of the property tax refund; providing relief for substantial homestead net property tax increases in 1981; requiring state reimbursement of local taxing districts for reduced property tax revenue due to reduced assessment properties; providing certain state and local sales tax exemptions; authorizing certain carriers to be treated as common carriers; providing technical and conforming amendments to tax increment financing provisions; providing for adjustments to captured assessed values and original assessed values; authorizing assessment agreements; restricting use of proceeds of taconite production tax to the taconite relief area; providing for membership of IRRRB; altering source and distribution of certain payments related to taconite taxes; restating apportionment of imputed income under occupation tax provisions; adjusting maximum interest rates on industrial revenue bonds and municipal bonds; increasing limit on issues requiring public sales; eliminating minimum tax on corporations and specific exemption for corporations; providing for taxation of utility property on situs basis; adjusting computation of credit paid to owners of rights of way; restricting procedure for appeals of special assessments; requiring collection of certain debts owed to the state by taking tax refunds; increasing the metropolitan transit levy authorization; creating a joint commuter rail study commission providing for a study of light rail transit; recodifying the laws governing the state board of investment; altering standards for the investment of state and pension assets; modifying public employee pension provisions and funding mechanisms; making certain changes in the Minneapolis

employees retirement fund; authorizing contributions by corporations in relation to ballot questions; allowing deductions from state employees salaries for the Minnesota benefit association; restricting interest related to condemnation actions; providing for taxation of ethyl alcohol; reducing the excise tax on gasohol; authorizing heat applied cigarette tax stamps; providing county option to impose gravel tax; authorizing licensure of farm wineries and providing for excise tax on wine produced on farm wineries; making reduction of excise tax on sparkling wines permanent; allowing local government to set mileage reimbursement rates; appropriating funds; providing penalties;

With the line item vetoes as explained in the attached letter.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 23, 1980

Speaker Fred Norton
Speaker of the House

Dear Mr. Speaker:

In transmitting H. F. 1121, passed by the Legislature in the 1980 Session with my signature, I hereby notify you that this approval does not include the approval of two items of appropriation.

The first is contained in Article XIII, Section 2, Subdivision 4, on page 174 and that I am therefore vetoing that item of appropriation which reads:

Subd. 4. The sum of \$50,000 is appropriated to the department of transportation from the general fund for the purposes of this section. The sum is available the day after final enactment and until January 1, 1982.

Further, the second item of appropriation is contained in Article XIX, Section 14, on page 308 and that I am therefore vetoing that item of appropriation which reads:

Sec. 14. [APPROPRIATION.] The sum of \$30,000 is appropriated annually from the general fund in the state treasury to the commissioner of revenue for the purchase of heat-applied stamps.

I am line item vetoing these items because of the uncertain economic conditions that face the State. It is necessary to examine every spending item. As Governor, I have the responsibility to ensure a balanced budget. These appropriation items are the first of several which I will be examining, and other vetoes may be necessary in order to maintain a balanced budget during this biennium.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 24, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1873, relating to local government; regulating zoning of certain facilities; authorizing certain actions by the city of St. Paul; setting conditions of employment for certain Washington county employees; providing for the membership and dues of the Ramsey county league of local governments;

H. F. No. 874, relating to state government; changing certain administrative procedures; providing for the compilation of agency rules and their publication by the revisor of statutes;

H. F. No. 1813, relating to transportation; appropriating money for rail service improvement; authorizing issuance of state bonds.

H. F. No. 1842, relating to nuclear safety; providing for a nuclear power plant emergency response plan; providing for assessment of costs to nuclear power plants; requiring the department of public safety and health to monitor, provide training, and prepare plans for nuclear power plant incidents; requiring a study; appropriating money;

H. F. No. 8, relating to taxation; gasoline tax; increasing the tax on gasoline; prohibiting use of proceeds of gas tax for access routes to the metropolitan sports facility;

H. F. No. 2046, establishing the Minnesota small business conference; providing for its organization, meetings and procedures; appropriating money.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 24, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 2476, relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; imposing conditions on the expenditure of public money; creating, abolishing, modifying, and transferring agencies and functions; fixing and limiting fees; altering conditions of public employment; authorizing purchase, sale, and transfer of public lands; authorizing certain public improvements of a capital nature; requiring studies and reports; limiting liability in certain civil actions; exempting certain motor vehicle sales transactions from regulation by the banking commissioner, regulating drainage systems in the metropolitan area; regulating administration of the Nine Mile Creek Watershed District, the Riley-Purgatory Creek Watershed District and the Red Lake Watershed District; authorizing an ad valorem tax for certain purposes; appropriating money;

With the line item vetoes as explained in the attached letter.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 24, 1980

Honorable Fred C. Norton
Speaker of the House
House of Representatives
State Office Building
St. Paul, Minnesota 55155

Dear Speaker Norton:

This letter is to advise you that I have signed House File 2476 and will deposit the same in the office of the Secretary of State. In signing this legislative enactment, I have exercised the authority granted to me in Article IV, Section 23, of the Constitution of the State of Minnesota to veto items of appropriation contained in this bill. A copy of this letter has been appended to the bill and constitutes the statement of items vetoed which shall not become law.

The following items have been lined out of the bill and are hereby vetoed:

1. Section 7 (c) appropriating \$100,000 to Administration for Micrographics Acceleration and appearing on page 4, lines 32 through 52 and page 5, lines 1 through 9 of H. F. 2476.

2. Section 13 (g) appropriating \$150,000 to Natural Resources for inflation expenses at state parks and appearing on page 7, line 41 of H. F. 2476.

3. Section 21 (c) appropriating \$90,000 to Crime Control Planning Board for grants for juvenile intervention programs and appearing on page 11, lines 40 through 42 of H. F. 2476.

4. Section 21 (e) appropriating \$169,000 to Crime Control Planning Board for updating the automated fingerprint identification system and appearing on page 12, lines 10 through 15 of H. F. 2476.

5. Section 23 (a) appropriating \$3,000,000 to Housing Finance Agency for Indian housing and appearing on page 12, lines 20 through 34 of H. F. 2476.

6. Section 23 (b) appropriating \$100,000 to Housing Finance Agency for temporary shelter residential housing and appearing on page 12, lines 35 through 42 of H. F. 2476.

7. Section 27 (a) appropriating \$60,000 to Transportation for a Transportation Finance Study Commission and appearing on page 14, lines 17 and 18 of H. F. 2476.

8. Section 28 (b) appropriating \$39,000 to Corrections for crime victim services and appearing on page 15, line 3 of H. F. 2476.

9. Section 30 (d) appropriating \$100,000 to Health for the THC Therapeutic Research Act and appearing on page 17, line 54 and page 18, lines 1 through 5 of H. F. 2476.

10. Section 33 appropriating \$500,000 to the Board of the Arts for a grant to the West Central Minnesota Educational Television Company and appearing on page 18, lines 35 through 52 of H. F. 2476.

The preceding items have been vetoed because of the uncertain economic conditions that face the state. As Governor, I have the legal responsibility to ensure that the state maintains a balanced budget. Thus, it has been necessary to examine every spending item to ensure that the state's budget will not be in deficit during this biennium.

In addition to the items which I have already identified, I am vetoing the following appropriation item:

Section 41 appropriating interest and profit from the state bond fund to the general fund and appearing on page 23, lines 26 through 33 and page 24, lines 1 through 8 of H. F. 2476.

This section appropriates "all interest and profit accruing after January 1, 1980, from any investment of the state bond fund . . ." to the general fund. The purpose for retaining interest and profit in the state bond fund is to assure that sufficient monies are available in the bond fund when the debt service obligations of the fund must be met. I agree with that purpose and have, therefore, vetoed the appropriation of monies out of the state bond fund to the general fund.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 24, 1980

The Honorable Fred C. Norton
Speaker of the House
State of Minnesota

Dear Speaker Norton:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1781, relating to education; providing for aids to education, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education, and others; providing aid for the education of students of limited English proficiency; providing individualized instructional materials for nonpublic school pupils; increasing the amount of severance pay available to public employees; clarifying provisions governing education management information systems; appropriating money;

With the line item vetoes as explained in the attached letter.

Sincerely yours,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 24, 1980

Honorable Fred C. Norton
Speaker of the House
House of Representatives
State Office Building
St. Paul, Minnesota 55155

Dear Speaker Norton:

This letter is to advise you that I have signed House File 1781 and will deposit the same in the office of the Secretary of State. In signing this legislative enactment, I have exercised the authority granted to me in Article IV, Section 23, of the Constitution of the State of Minnesota to veto items of appropriation contained in this bill. A copy of this letter has been appended to the bill and constitutes the statement of items vetoed which shall not become law.

The following items have been lined out of the bill and are hereby vetoed:

1. Article I, Section 15 appropriating \$685,000 to the Department of Education for summer school deficiency and appearing on page 22, lines 3 through 11 of H. F. 1781.

2. Article II, Section 9 appropriating \$150,000 to the Department of Education for a school transportation bus routing study and appearing on page 40, lines 24 through 28 of H. F. 1781.

3. Article VIII, Section 3 appropriating \$250,000 to the Department of Education for educational research and development and appearing on page 157, lines 11 through 16 of H. F. 1781.

The preceding items have been vetoed because of the uncertain economic conditions that face the state. As Governor, I have the legal responsibility to ensure that the state maintains a balanced budget. Thus, it has been necessary to examine every spending item to ensure that the state's budget will not be in deficit during this biennium.

Sincerely yours,

ALBERT H. QUIE
Governor

POCKET VETO

The following bill was pocket vetoed by Governor Albert H. Quie:

H. F. No. 1507.

PROTEST AND DISSENT

We, the undersigned members, protest and dissent from the unprincipled and disgraceful behavior of the Chairman of the Committee on Rules and Legislative Administration and several members of his caucus during the closing minutes of the 1979 regular legislative session.

In deliberately attempting to thwart any discussion on a resolution properly presented to the House, the Rules Chairman and a few other of his caucus members acted in reckless disregard of the House's parliamentary rules. A few of the more flagrant violations which we protest included:

1. Leaving the House after a call of the House without the permission of the Chair (House Rule 2.2);
2. Walking out of the House while the Speaker is putting a question before the body (House Rule 4.7);
3. Refusing to vote on a matter before the body when not excused from voting by a majority of the House (House Rule 2.5);
4. Improperly interrupting another member who was addressing the House (House Rule 4.2 and Mason's Section 121);

5. Using dilatory motions to intentionally obstruct the business of the House (House Rule 3.9 and Mason's Section 180);

6. Heckling and interrupting other members and the Speaker during debate (Mason's Section 61); and

7. Acting in a manner designed to deny other members of their right to free speech (Mason's Section 60 and 120).

Along with these violations of the rules, we also wish to protest the unruly and offensive conduct of a number of members. Such behavior is clearly inconsistent and contrary to every principle of order and decorum in the House of Representatives.

We strongly feel that the above-named actions not only violated basic provisions of the Rules of the House and parliamentary law, but also exhibited wholesale contempt for the democratic process. We are aware of no other single event in the history of the Minnesota House in which the legislative process was so blatantly abused.

Given this unsavory situation, we believe that the Speaker should be commended for his unfaltering patience and extraordinary efforts in attempting to complete the business of the House during the last 15 minutes of the regular 1979 Session.

JERRY KNICKERBOCKER
GARY LAIDIG

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 14, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	160	527	April 11	April 11
	251	528	April 11	April 11

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	262	529	April 11	April 11
	902	530	April 11	April 11
	1012	531	April 11	April 11
	1138	532	April 11	April 11
	1190	533	April 11	April 11
	1443	534	April 11	April 11
	1513	535	April 11	April 11
	1603	536	April 11	April 11
	1763	537	April 11	April 11
	1823	538	April 11	April 11
	1878	539	April 11	April 11
	1895	540	April 11	April 11
	1899	541	April 11	April 11
	1942	542	April 11	April 11
	1956	543	April 11	April 11
	1981	544	April 11	April 11
	2019	545	April 11	April 11
	2035	546	April 11	April 11
	2045	547	April 11	April 11
	2353	548	April 11	April 11
	2289	549	April 11	April 11
971		550	April 11	April 11
1132		551	April 11	April 11

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1980</i>	<i>Date Filed</i> <i>1980</i>
1144		552	April 11	April 11
1295		553	April 11	April 11
1358		554	April 11	April 11
1726		555	April 11	April 11
1775		556	April 11	April 11

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 14, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1980</i>	<i>Date Filed</i> <i>1980</i>
407		557	April 14	April 14
1843		558	April 14	April 14
	870	559	April 14	April 14
	1534	560	April 14	April 14
	1727	561	April 14	April 14
	1838	562	April 14	April 14

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	729	563	April 14	April 14
	2023	564	April 14	April 14
	1995	565	April 14	April 14

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 15, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	1612	566	April 15	April 15
	1435	567	April 15	April 15
	1201	568	April 15	April 15
	2187	569	April 15	April 15
	1847	570	April 15	April 15
	1818	571	April 15	April 15
	1662	572	April 15	April 15
2095		573	April 15	April 15

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
1141		574	April 15	April 15
702		575	April 15	April 15
682		576	April 15	April 15
480		577	April 15	April 15
364		578	April 15	April 15
	1710	579	April 15	April 15
	1896	580	April 15	April 15

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 16, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	2090	581	April 16	April 16
133		582	April 16	April 16
572		583	April 16	April 16

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
1875		584	April 16	April 16
2134		585	April 16	April 16

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 18, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
251		586	April 17	April 17

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 22, 1980

The Honorable Fred C. Norton
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 1980 Session of the State Legislature have been re-

ceived 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	2804	587	April 22	April 22
129		588	April 22	April 22

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 23, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
134		589	April 23	April 23
630		590	April 23	April 23
1398		591	April 23	April 23
1550		592	April 23	April 23
2099		593	April 23	April 23
2100		594	April 23	April 23
2166		595	April 23	April 23

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	644	596	April 23	April 23
	1047	597	April 23	April 23
	1095	598	April 23	April 23
	1302	599	April 23	April 23
	1453	600	April 23	April 23
	1731	601	April 23	April 23
	1816	602	April 23	April 23
	2040	603	April 23	April 23
	2268	604	April 23	April 23
	2302	605	April 23	April 23
	2429	606	April 23	April 23
	1121	607	April 23	April 23

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 25, 1980

The Honorable Fred C. Norton
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 1980 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1980</i>	<i>Date Filed 1980</i>
	8	608	April 24	April 24
	1781	609	April 24	April 24
	1813	610	April 24	April 24
	1842	611	April 24	April 24
	1873	612	April 24	April 24
	2046	613	April 24	April 24
	2476	614	April 24	April 24
	874	615	April 24	April 24
507		616	April 25	April 25
2085		617	April 24	April 25
2419		618	April 25	April 25

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the following boards, commissions, task forces and councils:

Commission to Design and Erect Historical Memorials, pursuant to Laws of Minnesota 1980, Chapter 499, Section 1: Clawson

State Ceremonial Building Council, pursuant to Laws of Minnesota 1980, Chapter 510, Section 1, Subdivision 3: Metzen

Legislative Commission on Waste Management, pursuant to Laws of Minnesota 1980, Chapter 564, Article II, Section 11, Subdivision 1: Casserly, Pehler, Long, Anderson, R., and Searles

Legislative Commission on Energy, pursuant to Laws of Minnesota 1980, Chapter 579, Section 1, Subdivision 1: Nelson, Wynia, Otis, Jacobs, Vanasek, Wigley, Ainley and Rothenberg

Advisory Task Force on Uniform Data for Student Reporting, pursuant to Laws of Minnesota 1980, Chapter 609, Article VII, Section 17, Subdivision 1: Kahn

Advisory Task Force on Uniform Data Standards for Personnel/Payroll Reporting, pursuant to Laws of Minnesota 1980, Chapter 609, Article VII, Section 17, Subdivision 1: Kahn

Council on Black Minnesotans, pursuant to Laws of Minnesota 1980, Chapter 614, Section 187: Berglin and Moe

Indian Affairs Intertribal Board, pursuant to Minnesota Statutes 1978, Section 3.922, Subdivision 1: Byrne

Capitol Area Architectural Planning Board, pursuant to Laws of Minnesota 1980, Chapter 614, Section 47: Faricy

Committee to Study the Financing of Correctional Services and the Community Corrections Act in Minnesota, pursuant to Laws of Minnesota 1980, Chapter 614, Section 183: Wynia

CERTIFICATE

I certify that the Journal of the House for Saturday, April 12, 1980, including subsequent proceedings, has been corrected and is hereby approved.

EDWARD A. BURDICK, Chief Clerk, House of Representatives